

Maclean's

ALL THE
RAGE: MADONNA
AND DICK TRACY

ON THE ROCK

After The
Ottawa Showdown,
Newfoundlanders
Will Decide The
Fate Of The
Meech Lake Accord

Newfoundland Premier
Clyde Wells





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CANADA'S WEEKLY NEWSMAGAZINE JUNE 18, 1992 \$2.95 (US \$3.50)

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COVER

ON THE ROCK

After seven grueling days of talks, Prime Minister Brian Mulroney and the 10 provincial premiers fell just short of their objective: unanimous support for the Meech Lake accord. Newfoundland Premier Clyde Wells insisted that his legislature should decide whether to ratify the accord or not. So the spotlight shifts to the province's 32 legislators as they determine the pact's fate. — 18



SPECIAL REPORT

PUMPING PROFITS

Every June, Hollywood studios flex their muscles at the summer box office. With few exceptions, the major contenders this year are big-budget action movies, many of them sequels. The hottest non-sequel is Dick Tracy, which stars Warren Beatty and golden girl Madonna. — 44



MEDIA

CNN'S DECADE OF GLORY

Atlanta billionaire Robert Edward (Ted) Turner launched Cable News Network on a shoestring budget. But after an often-tumultuous 10 years, the world's first 24-hour news network, once referred to as "Chicken Noodle News," has changed the way many world leaders think and act. — 52



LETTERS

CONSTITUTIONAL INNOVATION

The process of resolving Canada's constitutional problems need not be messy ("Dendize," *Corre*, June 4), if politicians and constitutional experts will take a fresh look at the principle of federalism. If Quebec wants to be recognized as a distinct society for reasons that are well known, and if this were to result in Quebec becoming "more equal" than other provinces, so what? It is time that an innovative constitutional arrangement was considered. The paragon of India might have been avoided if the constitution-makers of that country had had the vision and courage to adopt some such arrangement.

Glen Wiseman,
Toronto

Prime Minister Brian Mulroney, who has come perilously close to destroying the Canadian nation, has lost all credibility as leader. All the expertise Mulroney possesses as an ex-Conservative will not work for us; they have shown they are Quebecers first and Canadians last.

Ned S. Thompson
West Vancouver, B.C.

It is time we started afresh and dealt with the single issue of constitutional amendment designed to safeguard the cultures and special interests of Quebec and other delicate minority groups.

Douglas W. Bennett,
Victoria

I find it interesting that while the media can celebrate the demands for greater control over government by people in Europe, Latin America and China, there is so little understanding for much of the bores of criticism of Michel Labe. Many of us are not opposed to distinct society status for Quebec and many of us are not secret anti-theosophists. First of all, I disagree for Michel Labe is a reaction to the number of provincial laws that moved their way into the trough in payment for the so-called concessions to Quebec. Unlike the gullible media, particularly and sadly the CBC, to frighten us also according to a power grab by the same other provinces is one of the last, gasps of a shameful, greedy, personal political system.

Bruce Wood,
Markham, Ont.

Never has Mulroney shown leadership by convincing Canadians of Quebec's need for cultural protection. Never has he reminded Quebecers that any form of separatism must be rejected, not just declared. If Mulroney continues to stent by and allow provincial disaffection to



Mulroney: a fresh look at federalism?

near Canada apart, his place in history will be assured the Father of the United States and Provinces of America.

Gray Donaghy
Edmonton, B.C.

THE SAME COUNTRY?

As a middle-aged male, temporarily living on a recently repossessed Saskatchewan farm, watching neighbors struggle to hold on to their farms. I ask myself, "Do I really live in the same country where people pay from \$17,000 to \$50,000 for a leisure activity?" ("The greening of golf," *Business*, May 21).

Kathy Little,
Merriv, Sask.

'ASTRONOMICAL' SUMS NEEDED

As a Canadian astronomer spending a year in the United States, I find it interesting that Maclean's used astronomy and space as the two dimensions of the lack of funding for scientific research in Canada ("A critical science gap," *Business*, May 21). Since the formation of the Canadian Space Agency, \$4 million per year has been allocated for industry, but no money for universities. With the launch of the Hubble Space Telescope and a number of major astronomical missions by NASA and the European Space Agency, Canadian astronomy will be left behind if we do not take action to support space astronomical research in universities.

Sam Kink,
University of Colorado,
Boulder, Colo.

PASSAGES

AWARDED: To Edmonton Oilers winger Mark Messier, 29, the Bill Masterton Trophy as the 1989-1990 NHL season's most valuable player; by 1986 of the Professional Hockey Writers Association, Messier's former teammate Wayne Gretzky had won the coveted award for nine of the past 30 years. Also honored was Boston Bruins captain Ray Bourque, 29, who finished second to Messier in Hart voter but won the Morris Trophy as best defenseman for the third time in four years. St. Louis Blues winger Dean Hall, 25, won the Lady Byng Trophy as the most sportsmanlike player while Soviet winger Sergei Makarov, 33, who joined the Calgary Flames last year, was named rookie of the year.



ACQUITTED: Conservative MP Jean-Luc Jasmin, 53, of three charges of breach of trust involving \$7,000, by Quebec provincial court Judge René Poirier in Matane, Que. The *Matapédia-Matane* MP, who was first elected in 1984, said that he will seek readmission to the PC caucus, from which he resigned in June, 1989, when it became public that he was under investigation by the RCMP.

DIED: Actor Jack Gilford, 81, whose latest movie was *Grease 2* (1988), of stomach cancer, at his New York City home. During his 56-year career, the repossessed character actor also performed in vaudeville, on Broadway and in television. He was best known for his roles as the slave in women's clothing in the 1962 Broadway and 1966 film versions of *A Funny Thing Happened*

on the Way to the Forum, and as a miserly citizen who did not want to experience rejuvenation in the *Grease* movies.

DIED: Robert Noyce, 62, who helped develop the computer microchip, of a heart attack in an Austin, Tex., hospital. In 1959, Noyce, a research engineer, patented his integrated circuit that revolutionized electronics and led to such products as personal computers, pocket calculators and micro-wave ovens.

MARRIED: Andrew Cuomo, 28, oldest son of New York state Gov. Mario Cuomo, to Kerry Kennedy, 26, sixth child of the late U.S. attorney general and senator Robert Kennedy, at the Rosar Cathedral St. Matthew's Cathedral in Washington.

Alberta Vodka in front of Red Square.



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Canadian Prairie rye grain. Or that Alberta Vodka is Canada's only rye grain based traditional vodka. Or that it's smooth, crisp and crystal clear because it's triple distilled and charcoal filtered right in Alberta. Or that it's as pure as the four strong winds.

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LETTERS

NEWSPAPERS' SERVICE IS POOR

Pardon me if I do not shed any tears for the newspapers ("Lament for words," *Business*, May 14). A few years ago, when we expressed concern on behalf of a smaller client about the exorbitant rates for classifieds and appointment notices, we were told by one Toronto newspaper advertising rep that it's "to keep out the riff-raff." When we call in as ordered, it is tough getting even a phone call returned. Newspapers should wonder why they are losing more and more dollars to other media. Changing their attitude towards smaller advertisers might be a good beginning.

*Helge Enge,
President, Strachan/Enge Advertising,
Toronto*

DEMANDING QUALITY

I agree wholeheartedly with the letter written by R. John Hayes ("Shallow, facile journalism," May 21), when he states that what Canada needs is a quality daily newspaper, as Britain, the United States and Australia have. Readers need to be more demanding and willing to support and pay for a quality paper.

*Alfred Parnik,
Guelph, Ont.*

'THE RISK IS REAL'

I'm "atm changes face" (Globe, May 14), you state that there are only 13 cases of AIDS among teenagers in Canada. This is accurate, but misleading because it represents ages 15 through 18 only. The number of size cases from 1981 to 14 is currently at 53. The real problem is that the federal government does not report its statistics. To assist in the retroactive/active detection makes it much easier to claiming that a woman with a cancerous, but painless tumor in her breast, who feels healthy, does not have cancer. People are quickly lulled into complacency if they feel the risk is low. The risk is great—the danger real.

*Elaine Aylor,
Chairperson,
Canadian Foundation for AIDS Research,
Toronto*

SEPARATION'S COSTLY IMPACT

The comparison of Quebec with Junior leaving home in Diane Francis's "Quebec must pay the price of independence" (*Globe*, May 21) is rather mediocre. Does she mean that Quebec did not have to pay taxes at all, and that Canada had to look after Quebec all those years? Moreover, I have doubts about the huge drop in living standards that Quebec would have to face. If you only consider the huge amount of taxes that Quebecians pay Ottawa,

which will be ours in case of independence, surely that will help. Her article, and the general attitude of the other founding ones, make me think about whether I was right for not being a separatist in the past; the question is, will I be one in the future?

*Monique Lafontaine,
Lévis, Que.*

Francis's column on the separation of Quebec brought provoking, but neglected to mention one of the major bargaining issues, which is unusual because it is the subject of your



Printing plants 'shedding no tears'

cover. The territory on which the James Bay hydro project is located should be returned automatically upon accession in any form. It is unfortunate that the country has reached this impasse, but Quebec has failed to recognize that it is Confederation's favored child. It has gained more than its fair share of government largesse and has, as a result, engendered animosity in the rest of the country.

*James T. Madden,
St. Catharines, Ont.*

'A LITTLE SLIP'

In your May 21 article "The southern canyon" (*Comment*), you state that "a megawatt equals 1,000 watts of power." That is a little slip, because it should be 1,000,000 "Kilo" stands for 1,000.

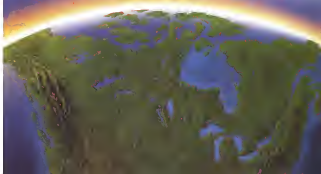
*W. Harold Reid,
Burlington, Ont.*

Letters are edited and may be condensed. Writers should supply name, address and telephone number. Mail/correction direct to: Letters to the Editor, Maclean's, magazine, Attention: Reader Mail, 777 Bay St., Toronto, Ont. M5W 1K7.

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OPENING NOTES

Romantic links for Pierre Trudeau, Mikhail Gorbachev meets a guru, and the Royal goes to Disney World

A PEACEFUL MEETING

During his May 30 visit to Ottawa, Soviet President Mikhail Gorbachev met privately with such luminaries as Pierre Trudeau, Ed Broadbent, Jeanne Sauvé and Eugene Whelan. But he also held an unofficial 10-minute meeting with Sri Chinmoy, a New York City-based guru who says he specializes in "mediation and inner peace." "Chinmoy, 55, who describes himself as 'a truth-seeker and a God-lover,'" said that Gorbachev is "very peaceful and has a compassionate heart." "Chinmoy's delegation presented the Soviet president with a heart-shaped torch resembling 436 letters, which included messages from 108 Canadian mayors and four provincial premiers. The guru also composed a song for the occasion. Said Chinmoy: "I composed this song about him and read it out loud by him. He was quite pleased and he said we must work together for world peace. In conclusion, I said to him, 'May the Soviet Union and Canada divinely grow and prosperably glow.'" Appropriate wishes for two nations that could use a period of inner peace.

Chinmoy (left), Gorbachev: two "compassionate hearts"



The horrors of horticulture

The annual National Rhododendron Conference began in June 7 in St. John's, Nfld. And although everything was ready for the usually colorful florid show, the flowers weren't. Said Denise McLeod, a horticulturist at Memorial University, which is sponsoring the event: "I guess right now spring is about two weeks late. We will only have some early, early varieties in bloom." But there is still hope. Said McLeod: "There are quite a few rhododendrons just ready to leave. You can see color in the buds. In a few days, we might see a difference." For rhododendron lovers, it may be too little, too late.



Trudeau (left), Turner: a new success and a farewell to an old enemy

ACTION BEHIND THE SCENES

As the March 24 deadline looms, most Canadians are watching the major participants involved. But Maclean's has learned that a former prime minister is keeping busy behind the scenes. Pierre Trudeau, who lives in Montreal, has been seen recently in Ottawa, the site of the constitutional talks. Indeed, observers have occasionally looked the former PM, who is an opponent of the Meech Lake accord, with Deborah Copps, Newfoundland Premier Clyde Wells's constitutional adviser. As observers described Trudeau's

deal in Charest's "hand-on mentor" as constitutional issues. Meanwhile, Trudeau plans to attend the Liberal leadership convention in Calgary on June 23 to congratulate first-cousin Jean Charest, if he wins, and to bid former leader John Turner farewell. Opponents say that Trudeau is planning to take advantage of the gathering of party faithful to sell copies of his book *Towards a Just Society* that the reunion should also serve as a symbolic display of party unity. New friends and old enemies make strange bedfellows.

ANOTHER BLOW TO FREEDOM OF SPEECH

Bonnie Hyman, an 18-year-old Seneca, N.Y., high-school student, has learned a lesson in parliamentary politeness. Hyman, who is prime minister of a model parliament of Wilfred High School, recently invited the province's lieutenant-governor, Lloyd Gross, to read the speech from the throne of a mock opening ceremony. Gross agreed—but changed his mind after he read a draft of Hyman's speech. The reason: it called for the abolition of the Queen's representatives in Canada. When a Gross aide called to object, Hyman removed the offending passages, but Gross still declined—and refused to comment. Hyman said that he is bewildered by Gross's reaction. "I changed the speech," Hyman said. "But, as prime minister, it's my right to write it." Hyman's first taste of politics may be his last.

Stamps of approval

Newfoundland Premier Clyde Wells's visit to Meech Lake stand up against his feud with some Canadians.



Wells: a favorable response

According to Edmund Bellett, the premier's special assistant, Mr. John's office has received more than 14,000 letters from across the country. And, said Bellett, "they are overwhelmingly in favor of the premier's stand." But the vote of confidence has a drawback. To cope with the flood of mail, overtime costs have risen to \$25,000. Popularity has a price.

A cola war takes to the rails

As the country struggles to stay together, Pepsi Cola Canada has come up with a new way to promote national unity. The company has leased a Via train, painted the cars to look like Diet Pepsi cans and set off on a cross-country odyssey that it says will help "current tens of thousands of Diet-Cola drinkers in the better-tasting diet cola—Diet Pepsi." The train will be in Quebec City on June 23, the eve of the deadline for ratification of the Meech Lake accord, but in Quebec, Pepsi may be preaching to the converted. It was the cola of choice there in the 1930s because it came in 12-ounce bottles, compared with 6.5 ounces of Coca-Cola at the same price (the cost). Indeed, some Anglos still refer to French-Canadians der-

ogatorily as "Pepsis" because of their soft-drink preference. But now, even then even, now-siding should be a thing of the past.



Via train: Pepsi Canada's taste-testing odyssey

DISNEY-STYLE SERVICE

The staid image of the Royal Bank of Canada is succumbing to a Mickey Mouse philosophy. Susan Dunn, the Royal's special-projects manager, has patterned the bank's new employee-orientation program in Toronto on one used at Disney World in Orlando, Fla. Dunn said that she was looking for "something special." But, she also knew better: "It does seem a little odd. People's perceptions of bankers are so serious, and here we go off to Disney World to learn how to train and motivate people." One reason to laugh all the way to the bank?



Who's who in Ottawa

Two heads are better than one—especially if they belong to Israel and Jeffrey Harway, an Ottawa-based journalist, has an advantage over his Prime Minister's Office. The 29-year-old, Calgary's two-time brother, Benjamin, has just been hired as Mr. Lester B. Pearson's legislative policy adviser. He is currently helping fellow journalist John Sewter research a biography of Lester B. Pearson, and that he is too busy to consider whether the offer made of the vice president, Harway, will be so interested in going as his brother to get close to the Prime Minister's Office. "I don't know the Times," he said. Still, people who know the Canadian who they look so much alike that they are often mistaken for one another. Even Sewter, who has known both for years, says that he still has difficulty telling them apart. The president for deception are striking.

Benjamin (left) and Harway, heads together



Most Americans think Canadians are Japanese.



When Maclean's and Decima Research asked Americans to identify their biggest trading partner, 63% said Japan. They were wrong.

Only 12% of Americans knew the right answer: Canada.

Those findings and many others appeared in the Maclean's special report "Portrait of Two Nations," an in-depth look at Canadian and American attitudes.

It was a report that gave our readers what one impartial opinion-leader described as "fresh and flaming insights into a perennially fascinating subject."

And it gave our readers information they could find nowhere else.

In the June 25, 1990 issue of Canada's Weekly Newsmagazine, we will publish "Portrait 1990," a thorough update with even more unique and valuable information.

Maclean's

THE WELL-INFORMED CHOICE.

Let the battle for cheaper calls begin

BY DIANE FRANCIS

Long television commercials and full-page ads last month trumpeted the recent change of Unitel Telecommunications Inc. to Unitel Communications Inc. At a press conference revealing the change, Unitel president George Harvey sported red-leather boxing gloves, symbolizing the beginning of a fight. Unitel is asking the Canadian Radio-television and Telecommunications Commission (CRTC) for permission to take on the Bell system's virtual phone monopoly and compete for our long-distance dollars. This is a welcome, and overdue, clash of heavyweight.

Still, like many fights to increase competition, in Canada, this one—consisting of lawyers' arguments at hearings and a CRTC decision by the spring of 1991—will be anticlimactic. Phone companies have been getting in shape for the battle ever since the United States, Japan and the United Kingdom partially deregulated their phone systems in the mid-1980s, causing competition and rate cuts. In Canada, the biggest progress came in 1988 when Rogers Communications Inc. bought 40 per cent of CNR as a bid to offer Canadians an alternative phone service.

Faced with possible competition, some of Canada's tyrannical and despotic phone monopolies shuddered and dropped long-distance rates by up to 30 per cent. Some of the cuts were imposed by the CRTC, most notably the 40-per-cent reduction by Bell Canada, which holds the monopoly in Ontario, Quebec and parts of the Northwest Territories, for long-distance calls outside its territory. Bell executives now argue that such cuts preclude the need for Unitel to enter the lucrative long-distance market in order to reduce rates.

But the fact that the mere threat of competition partially spurred rate cuts is argument enough to enforce competition permanently in our system. As well, Unitel's proposed phone-rate cuts are long overdue. On average, long-distance rates are still double those in the United States and, worse yet, sophisticated

agony that Unitel is asking the CRTC to guarantee it a 25-per-cent price advantage for five years. "Free enterprise is the last thing these free-enterprise champions want," says Bell Canada vice-president of government and regulatory affairs Richard French. Other phone monopolies argue that the CRTC can simply order them to lower long-distance rates and increase local charges if it is so concerned that Canadian rates are higher than those in the United States. Says Bruce Confield, president of British Columbia Telephone Co., "If we want to get to parity quickly with U.S. rates, the fastest way is to use the existing monopoly infrastructure to achieve it. Then, if you want to let the competition in after that, then do so."

Confield argues that Canadian long-distance rates are artificially high because CRTC rules force long-distance callers to subsidize local services by requiring the phone companies to sell local services below cost. As a result, about 95 cents out of every dollar spent on long-distance subsidizes consumers' local monthly telephone bills. The irony is that Canada's overall telecommunications network is one of the best, and cheapest, in the world, but the way costs are divided is unfair and damaging. In the United States, regulators eliminated many cross-subsidies when they opened up competition in 1983. As a result, U.S. long-distance rates have fallen 30 per cent, while local monthly bills have risen 44 per cent. As well, giant AT&T Co. was split into seven regional phone monopolies, and competition was allowed in the business and long-distance markets.

In Canada, however, Unitel's Harvey argues that there is no reason why greater competition and eliminating cross-subsidies should result in higher local rates. For one thing, U.S. consumers had to pay an extra \$3.50 per month so the seven new phone companies could invest in additional equipment to become self-reliant. That will not happen in Canada, says Harvey. "We will pay 50 per cent of our costs in the phone company for the use of its copper wire. We also have competition: we stimulate the market. At ANET, revenues and profits in 1989 were higher than in 1984, when AT&T had 300 per cent of the market."

Still, in order for Canadian business to remain competitive, its phone charges must be the same as those in the United States, even if local rates must rise. If increasing local phone bills by the equivalent of a Big Mac and fries every month—likely to add \$18 a month from the current \$14.50—means local rates and long-distance rates reach U.S. rates, that is a small price to pay to remain competitive. Besides, individual Canadians will also benefit from cheaper long-distance rates.

Unitel, now, however, the CRTC appears to have been more concerned about universality than competition for phone services and Canada's low local phone rates are another familiar example of giving the same subsidies to millionaires as well as welfare mothers. The result is that usual rampant speculation in this battle—such as businesses may add up to the report unless the reform stops in. There is no closure for the CRTC but to let the heat begin.

Unitel boss George Harvey says that he can offer lower long-distance rates if the CRTC lets him take on the phone monopolies

data-transmission costs are seven times higher, severely hindering Canadian businesses. Clearly, such costs can't be brought as low as deregulating states will be expected.

Of course, free and unfettered competition is impossible to achieve in telecommunications because it would be inefficient and unnecessary for each competitor to install its own lines into the nation's towers and offices. Unitel wants permission to enter the existing system at wholesale rates and to resell services for a profit. It also proposes to pay phone companies a royalty for using their wires. The CRTC allowed this in March 1989, after a two-year battle with Bell Canada, in a landmark arrangement involving a small Toronto-area reseller named call-net Communications Inc., which buys long-distance calling time on networks across Canada and then resells it to small businesses. Unitel must already compete against the Bell companies in the area of high-speed data services for businesses, using its own fibre-optic and digital network.

Indeed, because Unitel and others already compete with them for many services, some phone company executives argue that there is no reason why they should be allowed to compete. Some phone company executives also say that they are



Saturday signing ceremony; Wells, Mulroney and Bouchard (below); tempers, four-letter words and a conditional agreement

COVER

ON THE ROCK

**THE EPIC BATTLE
OVER MEECH LAKE
LEAVES A NATION
WEARIED BY ITS
OWN DIVISIONS**

It was a week when political tensions reached highs and lows rarely seen in Canada in peacetime. And as 10 provincial leaders and Prime Minister Brian Mulroney emerged from seven grueling days of secret negotiations to break the deadlock over the Meech Lake constitutional accord late Sunday night, the coverages were vivid in their faces and expressions. In the end, they fell just short of the objective of unanimous support. Newfoundland Premier Clyde Wells was the holdout: he signed the closing communiqué that endorsed the accord, but only with reservations. At Wells's insistence, it was left to the Newfoundland legislature to make the

final decision whether or not to ratify the accord before the deadline of June 23. Now, for two weeks, the spotlight will fall on the 55-year-old premier and the 58 legislators of Canada's youngest province as they determine the fate of an agreement designed primarily to make Quebec a party to the Constitution and to recognize that province as a "distinct society" within Canada. Said Mulroney, as the First Ministers gathered Saturday night for their only public session of the week to sign the document: "This is a happy day for Canada." Looking forward to the province at Newfoundland, he added, "We should soon be able to turn the page on this chapter of constitutional reform."

Wells's conditional agreement guaranteed that the days leading up to the deadline for all provinces to join the accord will be uncertain ones. For his part, the Newfoundland premier said that he would neither oppose the accord's ratification—nor encourage it. But he made it clear that he did not share his fellow First Ministers' confidence in the outcome. "I don't know what the basis for their optimism is," an exasperated Wells said late on Saturday. "It is going to be up to the people or the legislature of Newfoundland," he added, holding open the possibility that the accord may yet be put to a referendum in the province. As well, two other provinces—New Brunswick and Manitoba—will also submit the agreement to their legislatures before the deadline.

Still, passage there seemed to be assured by commitments from both Manitoba Premier Gary Filmon and New Brunswick's Frank McKenna. And if all three legislatures ratify the Meech Lake accord on time, Mulroney and the premiers will have brought an end to one of Canada's most debilitating and contentious national debates. The accord would become part of the Constitution of Canada. And Quebec, which did not sign the constitutional patriation agreement of 1982, would again become a fully constituted member of the federation. Beyond that, the province would have constitutional recognition of its "distinct society" within Canada—a goal that various Quebec governments have pursued in different forms for 25 years. Declared Mulroney after the agreement was reached, "English Canada has recognized and accepted us for what we are."

The settlement emerged from the longest gathering of First Ministers ever held, and the participants made it clear, during those seven

roller-coaster days, that progress had turned into failure, and setbacks into hopeful breakthroughs, with frustrating regularity. Insiders said that tempers frequently ran high behind the closed doors of the meeting rooms on the fifth floor of the Conference Centre, four-letter epithets turned the air, and, in the final day, a wave of exhaustion swept over the leaders. Still, none was ready to give up the search for a compromise. "After all," said Alberta Premier Donald Getty at the end, "we were talking about the future of the nation."

Angry: Still, the talks came perilously close to unravelling late Friday night. Wells, angry and frustrated by an day and more than 50 hours of constitutional haggling, had told his colleagues, "I have had enough. I am going home." His departure appeared certain to doom the talks and plunge the country into constitutional limbo. But he was intercepted by the raised voice of Prince Edward Island Premier Joseph Ghis, joined by Quebec's David Peterson and Robert Bourassa of Quebec—all shouting at the Newfoundlanders to stay at the table. Prime Minister Brian Mulroney, his face ashen, made the same plea more quietly. Then, Getty, 56, a former professional football quarterback, kept his feet and told Wells, "If we try to leave this room, I'll tackle you." He stammered silence that followed, Peterson reached into his pocket, pulled out a scrap of paper with hand-scrawled notes on it and said, "Gentlemen, I have an offer to make."

Peterson's suggestion was startling: Ontario was prepared to give up a quarter of its 24 seats in the Senate for redistribution to other provinces, a commitment to reform the appointed upper chamber of Parliament failed to bear fruit. The gesture helped to allay

National Notes

GENERAL DISMISSED

Military spokesmen confirmed that a top-ranking senior general, Brig.-Gen. Gary Kent, 45, has been fired amid allegations that he used government resources improperly. There was no court martial and details of the allegations were not released.

CLOSING MOUNT CASSIN

The last big fireworks at the Mount Cassin ceremony was muted and sad. Last November, the Christian Brothers, the Roman Catholic lay order in charge of the asylum, said that they were closing Mount Cassin in the wake of allegations of sexual abuse at the institution.

REINSTEATING TEMPTATION

The federal Reform Party of Canada announced that, for now, it will resist the "great temptation" to enter Alberta politics. But the 14-member committee that had considered the possibility of the party using its national political base said that the party may reconsider its decision.

NEW FISHING TIMES

Federal Fisheries Minister Bernard Valcourt tabled legislation raising fees for brookling commercial fishing licenses to a maximum of \$300,000 from \$3,000, and providing for penalties of up to \$1 million for poaching fish habitats.

MORSEGRATER ON TRIAL

Dr. Henry Morsegrater told Hilbert's provincial court that women have difficulty obtaining abortions in Nova Scotia because few doctors are sympathetic to the procedure. Morsegrater has pleaded not guilty on constitutional grounds to 14 counts of performing abortions at his Halifax clinic, contrary to a Nova Scotia law that limits the procedure to hospitals.

DEATH AT THE FALLS

Police were unable to find the body of Transmore trust man Jesse Sharp, 38, who went over Niagara Falls in a kayak. Sharp was the fourth dead since 1991 to die while challenging the falls.

AN INQUIRY ADJOURNS

Lawyers for five Nova Scotia judges, whose comments when they criticized Donald Marshall's wrongful murder conviction in 1982 are the subject of an inquiry, defended the judges' assertion at the time that Marshall was partly to blame for his own predicament because he fled at his trial. The Canadian Judicial Council inquiry adjourned until June 11 in order to give Marshall's lawyers an opportunity to defend his reputation.



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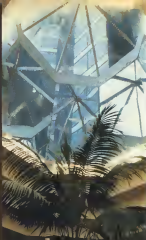
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claiming that the distinct society clause did not "churn or deny" rights granted under the charter.

Still, the accident was a telling indication of the passions at play inside the closed meeting room. Indeed, last week's talks began amid an atmosphere of mounting crisis

waited until close to the last moment, before announcing the premiers on May 31 to join him in Ottawa. Even then, he said, the talks would begin informally, with private dinner on Sunday evening, June 3, at the Museum of Civilization in Hull, Que., across the Ottawa River from the Parliament Buildings. Expecting a swift resolution, Prime Edward Island's Glen brought only two shirts. Fresh laundry and golf clothes were left in short supply during the last day of negotiating sessions that followed over the next six days in Ottawa's Conference Centre. It was not until Mulroney was certain that he had coaxed an agreement from the premiers that he allowed the sessions to go public at 10:30 p.m. on June 9.

Rites: Until then, he and the premiers met in private in a windowless boardroom for up to 12 hours at a time. The tone of their conversation ranged from calm discussions of legal issues to bitter exchanges of insults, and finally—once a tentative agreement was reached—to hugs and handshakes. The most critical period began on Thursday morning, as the 11 leaders tented to the contentious distinct society clause for the first

time. Before last week's meetings, Wells and Filmon had reportedly warned that any agreement on the Meech Lake accord would have to ensure that nothing at it took precedence over the charter—part of the 1981 amendment enacted without Quebec's consent. Bourassa, for his part, insisted that he would not agree to



Peterneau (left), Gerry taking a break: a timely Senate compromise

any such assurance being written into the Constitution. Said Bourassa: "We have signed an agreement on this, and it is crucial to us." As Thursday's negotiations continued, Mulroney and the premiers discussed a new proposal to prepare what they referred to as a "side letter." The letter—no fact a jointly drafted legal opinion by six of the country's

leading constitutional lawyers—would provide an expert assessment of the concerns that Filmon and Wells had voiced.

Initially, federal officials were optimistic that both premiers would agree to the proposal. But before Filmon could give his assent, the matter had to be settled with the two Manitoba opposition leaders, whose parties held a total of 23 seats in the provincial legislature—compared with 24 held by Filmon's Tories. While Filmon and Wells agreed at about 3 p.m. to discuss the proposal with Liberal opposition leader Carstairs and with Gary Doer, the leader of Manitoba's New Democratic Party, several premiers clearly believed they were on the verge of a final agreement. Devalued one Ontario government official who was in regular contact with Peterneau: "Wells and Filmon are going in. They will settle for a side letter."

Presumptions: But that optimism proved premature. In fact, Filmon had "little enthusiasm" for the proposal, and Greg Lyle, his principal secretary and Wells, according to the same source, "did not say try at all to let us do this."

In fact, the two-hour meeting of the two premiers and the two opposition leaders pro-

CRATERING THE DANGLING GHIZ

Ottawa delegates official: "The proposal is a modified Meech with certainty" (V) either "Is that bracketed or straight up?"

That exchange, during a briefing session at last week's first Ministers' meeting in Ottawa, was a vivid illustration of the arcane terminology of Canada's constitutional debates. The tactical maneuvering surrounding the conference gave rise to a flurry of new phrases that even seasoned political observers struggled to understand.

Commented Montreal Gazette columnist Don MacKenzie: "Now, in addition to English and French, you must speak Meech to cover these newcomers." Among the terms being freely used last week:

Bracketed: referred to diplomatic language

in a text that is ambiguous. "Straight up," on the other hand, refers to language that has been agreed to by all parties.

Certainly: shorthand used by the lobbyist premiers to describe the guarantee they sought that their desired additions to Meech Lake would eventually take effect. Only with "certainty" would they agree to pass the original Meech Lake accord by June 23 deadline.

Crater: a verb applied to potential threats to the negotiations. Federal officials said that they were worried that an agreement might "crater" over the distinct society clause.

Crunch: a verb, referring to a particularly difficult issue based on the expectation of solving it, as in Prime Minister Brian Mulroney's warning early in the week that the Senate amending formula was the principal issue "to be crunched."

Dangling Ghiz: a phrase coined to describe the possibility that Prince Edward Island Premier Joseph Ghiz's compromise proposal to

reform the Senate would be rejected.

Double death: a term that surfaced late in the week for a method to ensure certainty. Under double death, if an agreement in addition to Meech Lake was not ratified by all provinces within a set period, both the compromise agreement and the Meech Lake accord itself would die. The phrase was alternatively known as "the H-bomb," reflecting the underlying assumption that it carried the potential for such devastation that it would never actually be used.

Medusa: a widely discussed proposal, named after its originator, Ontario delegate adviser Fred Meisner, to give a veto over Senate reform to two of the western provinces, two eastern provinces and Quebec.

Snatching the circle: refers to the impossibility of forcing to get the two irreconcilable points of view.

BRUCE WALLACE in Ottawa

LOCAL POLITICS

FILMON REFLECTS THE VIEW AT HOME

When Manitoba Premier Gary Filmon arrived in Ottawa last week for the First Ministers' last-ditch effort to salvage the Meech Lake accord, few observers predicted that his opposition to the constitutional deal would run so deep. For one thing, Filmon had once backed the agreement. And such fervent officials and some of his fellow premiers had indeed predicted positively that he would change his mind again. Still, as the negotiations continued through the week, the Manitoba premier surprised many of his critics with his determined insistence on amendments. Although Filmon's forthrightness clearly caught many observers off guard, those who knew the premier said that they expected nothing less. Noted Manitoba Conservative Senator Nathan Vroegh: "He is tough when he has to be."

Background: That toughness has clearly helped Filmon, 47, weather previous storms during his political career. Widely perceived as weak-willed when he became leader of the Manitoba Conservative party in 1985, he later secured criticism of his leadership from within his own party. After the provincial election of 1988, Filmon became Manitoba's premier. But he found his minority government held hostage by

Filmon firmly resisting other premiers' pressure

Sharon Carstairs, president of Digital Equipment of Canada Ltd. and a friend since Filmon's university days. "Gary was an unbelievably good basketball player—a fierce competitor." That aggressiveness manifested itself quickly



Doer, Carstairs: threats to topple the government

by after Filmon's 1987 graduation from the University of Manitoba. While at the school, Filmon had earned a master's degree in management—and married the former Joyce Weir (the couple now have four children). He then worked for a Winnipeg engineering firm and ran his father-in-law's struggling private Winnipeg business school as its president. In 1968, in 1971, he taught the school outright and revealed its decline, later investing in other businesses, including a hotel-casino company and a travel agency.

In 1975, though, Filmon entered the political arena when he won election to Winnipeg city council. Four years later, he won a provincial by-election as a Tory. In 1981, then-Premier Sterling Lyon named Filmon minister of consumer and corporate affairs, a portfolio he held for only a matter of months before Lyon's resigning government fell to Howard Flavel's vote later that year. After Lyon's resignation two years later, Filmon narrowly won the party's leadership in October, 1983, portending himself as a consensus leader.

Factor: But Filmon's early years as a Tory leader resulted in anything but consensus about his talents. In spite of the Conservatives' high standing in opinion polls, the war won the March, 1988, election—with many Tories blaming Filmon's ultra-vigilant campaign performance. Two years later, when the vote lost a vote of confidence over a hugely unpopular budget, the Tories again entered the subsequent election campaign with a strong lead but, this time, emerged as a minority government by winning just 26 of a possible 57 seats. Again, some Conservatives blamed Filmon for losing what had appeared to be a sure victory and urged a change in leadership.

But, says Steve Filmon, Filmon's cousin and a friend since Filmon's university days: "Gary was an unbelievably good basketball player—a fierce competitor." That aggressiveness manifested itself quickly and urged a change in leadership. But, says Steve Filmon, Filmon's cousin and a friend since Filmon's university days: "Gary was an unbelievably good basketball player—a fierce competitor." That aggressiveness manifested itself quickly and urged a change in leadership. But, says Steve Filmon, Filmon's cousin and a friend since Filmon's university days: "Gary was an unbelievably good basketball player—a fierce competitor." That aggressiveness manifested itself quickly and urged a change in leadership.

GREY W. EXELER with
MICHAEL BROWN/INQUIRY and
BRUCE WALLACE in Ottawa

'THE FIGHT IS NOT OVER'

MILITANCY IN THE 'DISTINCT SOCIETY'

For as an hour, former federal environment minister Loren Bouchard stood before his audience and decided at length to salvage the Meech Lake accord. Addressing members of the Quebec Bar Association as they held their annual evening last week in the stately elegance of the Monastère Notre-Dame, overlooking the St. Lawrence River 125 km northeast of Quebec City, Bouchard described the talks under way between Mulroney and the 10 premiers in Ottawa as "neurotic." Making no attempt to conceal his contempt, Bouchard, who quit the federal cabinet on May 31, characterized some of the participating First Ministers as "total idiots." As for Quebec's Robert Bourassa, Bouchard declared that he would be withdrawn from as "botox" if he walked out of the discussions either thus accept any change to the agreement. Declared Bouchard: "I want Bourassa to understand that there is a whole province of us who will applaud if he walks out, not his head high, but having signed anything." How often that Bouchard's substance greeted with a standing ovation.

They reacted represented the mood in much of Quebec last week. As the negotiations in Ottawa dragged on, radio spots on shows, newspaper editorials and debates to the national assembly all reflected a growing dismay and skepticism to part, not a distance from the perception that the disasters among the premiers from English Canada were trying to place blame on the province's right to protect its culture—a right that Bourassa sought to enmesh in the accord's controversial recognition of Quebec's "distinct society." There were also clear warnings that Bourassa would face fierce opposition to any concession that he might agree to in Ottawa. But there was also a sense that, regardless of the outcome of the Ottawa talks, the future was unlikely to bring constitutional peace. As one high-ranking member of Bourassa's Liberal party confessed: "The fight is not over, it is only beginning."

Worry: Finally, it was not only the ardent nationalists who had grown weary of English Canada's apparent unwillingness to accept Quebec's desire for recognition as a distinct society. Last Thursday, the same day Bourassa barely told his fellow First Ministers that he would no longer participate in any discussions about Meech Lake's distinct society clause, Montreal's CBC radio aired his listeners



Bouchard dismissive of the talks

whether they thought the premier should abandon the talks. Over 82 per cent of the 2,441 people who responded to the question said that Bourassa should walk out. In much the same tone, Quebec City's daily Le Soleil, as an editorial headlined "Let's stop handclapping ourselves," also urged Bourassa to leave the table. Those were not the only pressures on Bourassa to reject consensus. On Thursday, opposition Parti Québécois leader Jacques Parizeau warned the premier that he faced "seven million votes in the air" if he returned to the

province with a watered-down constitutional agreement. Parizeau added, "If the premier comes back with such a setback for Quebec, politically and democratically, it is a war."

Parizeau's melodramatic phrasing may have been provided in part by Bourassa's refusal to keep the constitutional talks secret as the Quebec 70 chief had tried several times throughout the week to reach Bourassa by telephone. Twice, he sent telegrams demanding information. At one point on Thursday, Parizeau even tried to force the national assembly to require Quebec's Interministerial Affairs Minister Gu Rémond to return to Quebec City in order to brief the legislature on the discussions. None of the attempts met with any success. When Parizeau finally did learn the details of the First Ministers' agreement—after it was made public on Saturday evening—he declared himself "disappointed but not surprised." For many Quebecers, however, his disappointment was evident throughout the course of last week's talks. Some were clearly unhappy with the efforts of Manitoba Premier Gary Filmon and Newfoundland Premier Chas Wells to limit the scope of the Meech Lake accord's distinct society clause by stating that the Constitution states clearly that it could be overruled by the Charter of Rights and Freedoms. At the same time, they expressed disquiet at a proposal to hold extended public hearings into a so-called Canada clause defining the fundamental characteristics of the country.

Some Quebecers, whose language seemed likely only to provide a forum for fresh attacks on the distinctness of their society. Agreed that backcountry, many Quebecers appeared convinced that the bargaining sessions were only a ploy to further constitutional negotiations, which they perceived will prove to be a disastrously altered role in Confederation. Indeed, Bourassa's government has never made any secret of its desire to redefine the province's relationship with the rest of Canada—beginning with Meech Lake. Bouchard himself declared last week that "the Meech Lake accord is an important step to a complete reversal of the Constitution." Meanwhile, a Quebec Liberal party committee has been at work since last February exploring fresh constitutional options for the province. Despite last week's setback, the committee is likely to recommend that the province press Ottawa to relinquish its control over communications and some elements of social policy within Quebec.

Compared with the outright separatist aims of the PQ, these proposals are mild. But they represent a clear and deliberate next step's drinking cold-water role towards a painful compromise over Meech Lake marking not the end of a process, but just the beginning.

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A MOOD OF REBELLION

It should have been a triumphal homecoming. Soviet President Mikhail Gorbachev returned to Moscow from the United States last week with an unexpected trade accord, agreement on strategic and chemical arms reductions and a mutually acknowledged personal rapport with President George Bush. In San Francisco, following the Washington summit, Gorbachev celebrated his friendship with former president Ronald Reagan and also had a meeting rich in symbolism with South Korean President Roh Tae-woo. And he received enough claps, hugs, models and other expressions of American goodwill to make the most ardent Communist consider defection. But he evidently did not impress many of his fellow Russians with his summit successes; his critics said that Gorbachev should have stayed at home to attend to pressing internal matters. And he had little time to enjoy the aftermath of what the *San Francisco Examiner* called his last "Gorbau" in California.

For more popular abroad than in his own

A HOST OF DOMESTIC ISSUES GREET'S MIKHAIL GORBACHEV ON HIS RETURN TO MOSCOW FROM THE SUMMIT

capital, the Soviet leader stepped off the plane in Moscow and into a quagmire of domestic concerns. A new explosion of ethnic violence in Central Asia set the Soviet republic of Kyrgyz against neighboring Uzbekistan. As well, three rebellious Slavic republics, the Russian Federation, Byelorussia and Ukraine, rebelled against Gorbachev's plan for a regulated market economy, forcing parliament to suspend

debate on higher food prices and other measures that were to take effect on July 1. Independent-minded Soviet legislators also delayed action on a new law easing emigration restrictions, which the U.S. Congress says must be passed before it approves the trade pact that Bush and Gorbachev signed. And the quiet Russian Federation was led by Gorbachev's archrival, Boris Yeltsin, joined the secessionist drift of the Baltic republics. Bad on Moscow-based diplomat: "Everyone, conservative or radical, is in an anti-crisis mood."

Gorbachev's most immediate problem was the fighting between Kyrgyz and Uzbek militaries in Kyrgyz, which killed more than 100 people and led the way to seal the border between the two Central Asian republics. Internal Minister Vadim Bakatin blamed what he called the "criminal, medieval nationalism" of that region. But Western analysts said that Moscow's failed economic policies, which had left tens of millions of people out of work, were helping to fuel ethnic rivalries. Similar unrest has occurred throughout Central Asia and the Transcaucasus, including the republics of Armenia, Azerbaijan, Tadzhikistan and Georgia.

Less explosive, but potentially more damaging to Gorbachev's chances of halting the Soviet Union together, was the declaration of sovereignty by the Russian Federation. Among other things, it demanded "the right to free secession from the U.S.S.R." A Russian parliamentary spokesman said that the measure was designed to give the republic more autonomy in trade and economic policy, rather than outright independence.

But the declaration put the Soviet Union's largest republic on a crash course with the Kremlin. And it could only lessen the chances of a reconciliation between Gorbachev and Yeltsin, who is gaining support among many disgruntled Soviets. "There is no doubt that Yeltsin will do better than Gorbachev," said Yuri Izhukov, a 30-year-old Moscow dentist. "Gorbachev is a man of the past, not the future."

The sprawling Russian Federation contains 23 per cent of the Soviet population, three quarters of the country's land mass and most of its oil, gas and coal. Even before Yeltsin was elected as chairman of the republican parliament on May 29, the body was insisting that the federation be allowed to split into two national movements without dealing through the Soviet central government. Yeltsin has since announced an intention to trade directly with the Baltic republics, which would break Moscow's

sanctions against Lithuania and defying the central government's threat of economic reprisals against Latvia and Estonia if they persist in their demands for independence.

Encouraged by Yeltsin's support, the Baltic primes sent another telegram to Gorbachev on June 6 asking for negotiations on autonomy. A similar message on May 12 had received no response. Gorbachev admits that the Baltic republics adhere to no Soviet legislation, requiring a referendum on secession and a transition period of at least five years. But the three primes insisted that because dictator Josef Stalin held an referendum when he forcibly

Because of the disintegration of the Soviet empire, Western diplomats said that the survival of the Warsaw Pact, although a desirable end version of it, was a victory for Gorbachev. But Soviet attempts to secure similar demonstrations of the NATO alliance received a cool response in Copenhagen, where the 25-nation Conference on Security and Cooperation in Europe held a meeting last week.

While Soviet Foreign Minister Eduard Shevardnadze was trying to promote the Conference as the centerpiece of a new European security order, U.S. Secretary of State James Baker told the gathering that "NATO will continue



Moscow shoppers: a commitment to free-market economics, whatever the cost

annexed their countries in 1945, on referendum should be made for their withdrawal. Dissolution of the Baltic empire will be another factor in securing U.S. congressional approval of most-favored-nation trading status for the Soviet Union.

The mood of rebellion that permeates the Soviet republics also manifested itself last week during a Warsaw Pact summit in Moscow, where the Kremlin's former ally formally abandoned their role as the guardian of communism in Eastern Europe. Hungarian Prime Minister János Ardai set the tone for the June 7 meeting by calling the secret membership of his "outdated organization" that no longer serves any useful function. But Gorbachev persuaded him and the other Eastern Europeans to remain members and transform the pact "into an alliance of sovereign and equal states resting on democratic principles." Their final announcement made no mention of Soviet troops withdrawn from their territories, but spoke of "constructive cooperation" with their old adversary, NATO.

to serve as the indispensable guarantor of peace." In another foreign setback, Gorbachev received a harsh rebuke from Communist North Korea, a traditional ally, for what its government called his "unpardonable, outrageous language" with South Korea's president in San Francisco.

But South Korea has come to the beleaguered Soviet president than the oppressed North. Gorbachev's priorities are economic aid, in a mutually televised news conference at week's end, he confirmed his commitment to creating a free-market economy. Flanked by visiting British Prime Minister Margaret Thatcher, Gorbachev declared "The nuclear is not an occasion of optimism. It is an occasion of confirmation." In quiet and determined tones, he went on to tell his people that they would have to make the difficult transition—whatever the cost.

HOLLANDER JOHNSON with **DIANNE RYMERHART** in Moscow and correspondents' reports

World Notes

A SWING TO THE RIGHT

Prime Minister Yasuhiro Nakasone announced the formation of the most right-wing government in Japan's history. Seven ultranationalist and religious parties and three independent parliamentarians signed a coalition agreement with Shinto's aged leader. The new government, backed by 40 members of the 120-seat parliament, will seek a vote of confidence this week. In March, the Liberal Party brought down a national unity government over Shinto's refusal to accept U.S. proposals for improved relations with the U.S.

CIVIC FORUM WINS ELECTION

Civic Forum and its Slovak counterpart, Public Against Violence, were leading for a resounding victory in Czechoslovakia's first free elections in four decades. Early projections say: these 175 seats on the 300-seat parliament, with 85 for the Christian Democrats and 40 for the Communist party. Other parties were unable to secure any seats.

STRUGGLING SOLIDARITY

In Poland, Solidarity trade union leader Lech Walesa accused Prime Minister Tadeusz Mazowiecki of halting democratization and called on his Solidarity-led government to hold parliamentary and presidential elections in the fall. Meanwhile, Adam Michalski, editor of the Solidarity newspaper *Gazeta Wyborcza* (Election Gazette), accused Walesa of trying to destabilize the government to promote his own presidential aspirations.

AN ASSISTED SUICIDE

James Adams, 54, of Portland, Ore., killed himself by pushing a button on a suicide device to which a Michigan doctor, Jack Kevorkian, had connected him, about one year after also was diagnosed as having Alzheimer's disease, on an incredible neurological disorder. There is no specific law against assisting suicide in Michigan, where Adams died from a lethal injection of poison. But prosecutors are considering court rulings to determine whether to lay charges against Kevorkian.

PRIMARY VICTORIES

In a series of U.S. election primaries, former Sen. Francisco Poyatos Ferrer, 56, who was the Democratic nominee for California governor, partying for against Republican Senator Patsy Wilson in November general elections in North Carolina, former Charlotte mayor Harvey Gantt won the Democratic Senate nomination. Gantt, who is 64, will be conservative, white, three-term Republican Senator Jesse Helms in November.



Gorbachev: ethnic violence, economic upheaval and republican threats of secession

SOUTH AFRICA

'A victory for the people'

Pretoria lifts its state of emergency

A formal mood from the latches of Pretoria's Rivonia Palace is all but guaranteed to usher a glow of well-being in any participant. But South African black nationalist leader Nelson Mandela was even more

an even stronger backslash from warring white South Africans. Only the day before, a spokesman would have allowed a dramatic plea to support for the opposition Conservative Party, which wants to return to old-fashioned apartheid. De-

greet remained in force in Natal, but as Johannesburg's senior ANC colleague Walter Sisulu was sharply critical. Instead, Sisulu declared that de Klerk's "bad measure" was not sufficient to clear the way for negotiations to begin on a constitution that would reintroduce South Africa's 28-million-member black majority.

But while de Klerk's relaxation of the state of emergency, and his release of 48 political prisoners, may not have gone far enough to satisfy the ANC, it clearly outraged pro-apartheid whites. They had already demonstrated their dislike for de Klerk's reforms in a boycott the previous day at the suburban United Church of Durban, Natal's provincial capital. There, the Conservative Party more than doubled the support it secured in last September's

general election. And a third contestant, the white liberal Democratic Party, was almost wiped out, polling only 562 votes against 5,762 for the Nationalist candidate and 5,215 for the Conservative.

Independent analysts said that the result was an ominous sign of a swelling white backslash against de Klerk's policies, which in recent months have included the legalization of the ANC and the release of Mandela after 27½ years in prison. And it seemed to show that the white electorate is increasingly alarmed by the possibility of what right-wing extremists call a "takeover" of its interests.

In an apparent effort to ease these fears, de Klerk issued his speech last week with criticism of the ANC: "It is a time for the ANC to give a true account of itself," he said, in an obvious reference to that organization's failure to renounce its policy of armed struggle. De Klerk also criticized the ANC's continued demands for economic assistance and its official policy of redistribution of major economic resources. The ANC, he said, "will have a long way to go."

Still, such comparatively mild criticism seemed unlikely to mollify his critics on the right. Extreme right-wing groups are already arming themselves, vowing to resist any extension of significant voting rights to the black majority. It is partially easing the state of emergency, de Klerk had taken another risky step on the difficult journey towards what he has called "a completely new South Africa."

JOHN HEILMAN with
CHRIS GRANLIS
at Cape Town



Tribesmen in Natal de Klerk's release: averting away a major obstacle to talks with the ANC

greet that must be emerged from a state luncheon with French President François Mitterrand last week in Cape Town, Mitterrand's opponent member, F. W. (Frenk) de Klerk, had just announced the lifting of the four-year-old state of emergency in three of South Africa's four provinces. And Mandela said that he was "very happy to hear this." Indeed, to understate his evident goodwill, Mandela renounced any claim to a victory for his African National Congress (ANC). Rather, he said, "It is a victory for the people of South Africa as a whole, both black and white." But despite his expression of approval, it seemed likely that de Klerk's declaration would undercut the black leader's position as he begins a 13-state trip that is scheduled to take him to Canada and the United States later this month.

One objective of the 71-year-old Mandela's world tour is to persuade Western governments not to relax economic sanctions against Pretoria until all vestiges of apartheid have been removed. Clearly, de Klerk's latest liberalizing action could weaken Mandela's argument. On the other hand, it could also promote

Klerk's National Party retained a nominal safety net by only 547 votes out of almost 12,000 cast. Commented elections analyst David Simpson of Potchefstroom University: "Based on this result, the Conservatives would swing to power if a general election were held today."

The one province excluded from de Klerk's relaxation of emergency powers was Natal. There, violent clashes between supporters of the ANC and the conservative Zulu Inkatha movement have claimed an estimated 2,500 lives in the past 18 months. De Klerk said that the government would allocate an extra \$431 million to bring the province in Natal under control, while across the country as a whole the 61,000-strong police force would be increased by 10,000. Mandela, speaking in Paris, expressed disappointment that the state of emer-



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AIR CANADA

Legacy of a massacre

Student protests erupt a year after Tiananmen

It was nearly midnight on June 3 when the sound of breaking glass bottles shattered the tension-filled silence at Beijing University. To the students, the act was unmistakable: a show of contempt for the Communist party's 86-year-old leader, Deng Xiaoping, whose name is Chinese for his "little tyrant." And it sparked the most defiant protest since army tanks rolled through Beijing to crush pro-democracy demonstrations exactly one year earlier, smashing handbills, perhaps thousands, of people. "I never dreamed anyone would dare protest," recalled one astonished graduate student. "But then the sound grew louder and louder." Soon, hundreds of students poured out of their dormitories, while others waved flaming newspapers, a symbol of mourning, from their windows. Then, they broke into a roaring version of the Communist Internationale, the unofficial anthem of last year's student-led protests. "Revolution will come, arise."

These demonstrations were repeated around the world. In Hong Kong, the British colony that will revert to Chinese rule in 1997, more than 100,000 protesters marched

through the city to honor those killed on the night of June 3-4 last year, and the hundreds of others who were arrested or imprisoned after the crackdown. There were protests and vigils in London, Tokyo, Moscow and across Canada and the United States. In Washington, President George Bush, under pressure from congressional leaders who oppose the May 24 announcement of his decision to extend China's preferential trade status, expressed "deep concern" over Beijing's human rights record.

Two days later, as what Western diplomats saw as an act deemed both to appease domestic critics and to improve Beijing's battered image abroad, the Chinese government announced the release of 90 prisoners who had been involved in last year's democracy movement. But diplomats and spokesmen for human rights groups say that thousands of other political prisoners remain in jail. And a Chinese Communist party official, speaking on condition of anonymity, said that the ruling Politburo met in emergency session after the protest at Beijing University and decided that it will "deal severely" with those involved in the protests.

Chinese authorities had tried to prevent the

protest. Before the anniversary of the military crackdown, soldiers sealed off Tiananmen Square, the focus of last year's unrest. And as demonstrators thronged the city's capital, police, armed with automatic pistols, searched cars, drivers and passengers. Then, when the university students began breaking the bottles, police sealed campus gates in order to prevent the unrest from spreading. Police also beat several foreign journalists trying to report on the night's events.

A foreign ministry spokesman later summoned the president of the Foreign Correspondents Club of China, city reporter Jim Munroe, to denounce reporters from abroad—who he said were "collaborating" with protesters. The club later sent a letter to the foreign ministry to protest "unprovoked use of violence and physical abuse of foreign correspondents" who were covering the protests.

But the ministry spokesman Li Jishui called "utterly unreasonable."

One Western diplomat said that international media coverage of the protest at Beijing University deeply embarrassed the government. It also masked the failure of the government's efforts to win the support of its students. Throughout the year, students across the country were forced to attend ideology classes where they were obliged to recite the official version of events—that last year's unrest was a "counter-revolutionary rebellion" provoked by foreign imperialism.

Meanwhile, authorities had set the university's entire first-year class of 750 students to a bleak military camp south of the capital to endure more than seven months of cold showers, weapons-and-survival training and political indoctrination. In mid-May, they were allowed back onto the campus for the first time. Grief-stricken and dressed in army fatigues, they marched around campus to harshly drilled cadences. "Attention! Eyes right! Quick march!"

Conceding with the military duple, state-run newspapers published an apparently grateful letter from the first-year students to China's education minister. "Great changes have taken place in us ideologically," it said. "We finally understand that the great flag of socialism will never fail."

Many writers were also obliged to spend at least four hours a week in political classes this past year. As well, last fall, officials received a note of



Soldiers marching through Tiananmen Square: widespread disillusionment with the government

party chairman Mao. The Long's Cultural Revolution of the late 1960s, on Sunday, workers are once again obliged to perform so-called voluntary good deeds for the glory of socialism. Those tasks commonly include babysitting and doing chores for the elderly.

Although the government crackdown and indoctrination sessions apparently prevented a full-scale reversion of last year's unrest, when millions of Chinese demonstrated in support of democratization and in aid to government corruption, the system have failed to erase widespread disillusionment with the Communist regime. Two students at one of Beijing's 67 universities and colleges, who will graduate this year, told Munroe an emotion of anxiety that they had missed student handbills around Tiananmen Square last year, dashed with the hope that Soviet-style political reforms were within China's grasp. But they said that, after the massacre, they became aware that some of their fellow students, in the hope of turning more control up assignments after graduation, would denounce them in politically unstable.

The two students said that a teacher gave their class some pragmatic advice: "There will always be political movements in China," the teacher told them. "The most important thing for you now is to bend and to take care of your own interests. Tell the authorities what they want to hear, write self-criticism. You cannot win and you must protect yourselves." They took her advice, supplanting their true beliefs and believing in a distinctly cynical lesson. Before last year's crackdown, they said, they had hoped to study abroad. But now, they

Chinese authorities have imposed strict restrictions on foreign study. Now, they face a bleak future as teachers in the countryside, earning less than the equivalent of \$40 a month. They said that the most they can hope for is to eventually work their way back to Beijing, where they may find themselves being another generation of students to bend in the political wind.

Cynicism of that sort is evident at almost all levels of Chinese society. A former editor at a Communist party newspaper said privately that even though "the country has no parliament," he obeys his orders and continues to publish government doctrine. Meanwhile, acquaintances of foreign journalists in Beijing are hesitating their with requests for help in obtaining exit visas, particularly for their children. "I have suffered all my life," said one government official, who expressed the hope that his 25-year-old son could make a future for himself in Canada. "My wife and I had to work in the fields during the Cultural Revolution, waiting a decade of our lives," he added. "I do not want our son to be a victim of the same flips that ruined our lives."

The disillusionment with Maoism, Western analysts say, because of a power struggle among senior Communist officials. The elderly Deng, who has relinquished all party posts but retains ultimate control, and his designated successor, party leader Jiang Zemin, advocate free-market reforms—but without any democratization. Reformers say that the two leaders are struggling against fan-fanists who advocate a return to a centrally planned socialist economy. Economic policies have buttressed as

hard-liners and reformers at times prevail. With so close course, the economy is weakening rapidly.

Since last year, many private businesses have closed, and few people appear willing to open new ones in the uncertain political climate. Unemployment is high, with millions of people travelling the country looking for work. Foreign economic sanctions, imposed after last year's massacre, are also taking a toll. And many Chinese, whose standard of living improved when Deng introduced economic reforms in 1978, have lost those gains in the past year.

Only a handful of diplomats have dared to speak out. Among them is Zhou Dun, an economist and a former lecturer at Beijing University. He was jailed for his participation in a last year's unrest, and, since his release last month, he has openly called the 1989 crackdown "a tragedy for China" and accused the country's leaders of "spiteful repression."

Another former political prisoner, journalist Guo Xin, described the abusive treatment he received after his arrest. Disappearing his wanted men, he said that he had been handcuffed for 25 days, and kept for more than 10 months in a tiny cell among mental and violent inmates. And, since his release last month, he has openly called the 1989 crackdown "a tragedy for China" and accused the country's leaders of "spiteful repression."

Meanwhile, the students who took part in the Beijing University protest are awaiting their fate. One night last week, Li Ming, a third-year economics student, stood before a crowd of more than 1,000 fellow students to denounce the country's elderly leaders as "wild and savage animals." Police tried to take him away, but supporters intervened. Later he said that he was angry at his dormitory, rather than fear. "The authorities are considering whether to expel me from the university or to deal with me in other ways," Li said. "I do not know if they will arrest me." In the fearful climate that is the legacy of last year's military crackdown, the students are aware of courage will not likely change the course of history that it has shown China's leaders that tanks and guns cannot forever drive their people's desire for democracy.

MARY KENNETH with SARAH LEMMAN and LOUISE BRANSON in Beijing



Pro-democracy demonstration in Toronto: honoring those who were killed last June



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Razing an unfinished condominium in Garland, Tex.; here comes, the largest bailout in history and a threat of tax hikes

BUSINESS

THE S&L CRISIS

For many Americans, obtaining a home mortgage has frequently meant a trip to their local savings and loan company. The small financial institutions, similar to trust companies and credit unions in Canada, offered personalized service in loans and real-estate sales, across the United States and were considered by many Americans to be as reliable as a bank. Indeed, until the early 1980s, after the Reagan administration took office and a reform-minded Congress began to deregulate the industry, the S&Ls had been carefully restricted to granting mortgages to home buyers and paying out low interest rates to depositors. But after they were deregulated, hundreds of S&Ls quickly became involved in large speculative financial operations that later collapsed. Now then, the debacle has severely shaken confidence in the entire American banking system—and brought chaos to one of the country's economic pillars.

Already, losses have skyrocketed to at least

WASHINGTON IS STRUGGLING TO FIND BILLIONS TO PAY THE COST OF A HUGE FINANCIAL COLLAPSE

\$213 billion from an estimated \$17.4 billion in 1985. Now, Washington is struggling to find the billions to pay the cost of the collapse. Last month, Treasury Secretary Nicholas Brady told the Senate banking committee that the \$84.7 billion that Congress appropriated for the bailout last year would have to be raised to

at least \$113 billion, and perhaps to as high as \$137 billion. The administration's General Accounting Office (GAO) says that the total cost of the disaster could easily reach \$580 billion over the next 30 years, the equivalent of about \$3,360 for every man, woman and child in the United States.

As well, rescue costs will likely peak this current \$176-billion federal budget deficit still higher, because the government will inevitably have to pay most of the costs of the largest public bailout in history. It may even force President George Bush to break his long-standing "No new taxes" vow.

Aside from deregulation, other causes contributed to the skyrocketing S&L meltdown. In Texas and other southwestern states, where the crisis is most acute, a sharp decline in oil prices in 1985 led to a collapse in the real estate market. As a result, the S&Ls' mortgage portfolios plummeted in value after they had committed themselves to paying high interest rates to depositors. As well, some of S&L

executives are under investigation for alleged fraud using financial contributions to influential politicians and diverting depositors' money for their own uses.

S&L industry analysts say that Washington could easily have prevented most of the huge losses by dealing with the problems at the very beginning. S&L Paul Craig Roberts, a former assistant secretary of the Treasury and now an economist with the Center for Strategic and International Studies in Washington. "The S&L mess is entirely a creation of the government,"

Brady's objective with deregulation was to restructure the sluggish S&Ls by permitting the near-bank to invest across wider—and riskier—portfolios. But many S&Ls used their funds on deposit to buy overpriced real estate and lack of advanced development projects, such as shopping malls in poor commercial locations. Others invested heavily in high-yield, high-risk junk bonds. One of the most notorious cases involved Irvine, Calif.-based Lincoln Savings and Loan, which sold billions of dollars of bonds on behalf of non-designated financiers. Michael Milken, a close business associate of Lincoln's then-chairman, Charles Keating. As a result,

getting the so-called Keating Five—Alan Cranston of California, John Chafee of Ohio, Howard Leight of Michigan and Dennis DeConcini of Arizona, all Democrats, and Arizona Republican John McCain—who received a total of \$1.6 million in campaign contributions from Keating.

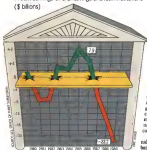
As well, James Wright assigned as Speaker of the House of Representatives and gave up his seat last year in the midst of a House ethics committee investigation of his lobbying on behalf of beleaguered S&L operators. Democrats who Terry Conklin also resigned last year after The Washington Post revealed that Beverly Hills, Calif.-based Columbia Savings and Loan provided him with millions of dollars to buy junk bonds from Milken.

The Federal Bureau of Investigation is currently pursuing department of criminal fraud in 234 federal cases. It is also reviewing the tax and other records of S&L executives who have allegedly improperly purchased art, houses and private planes with depositors' money.

As the scandal deepens nationwide, many of the nation's most \$1,000-a-day salary earners are now struggling to avoid bankruptcy.

MOUNTING LOSSES

Prefix earnings of U.S. savings and loan institutions (\$ billions)



the government's Resolution Trust Corp. (RTC), which was set up last August to take over the insolvent S&Ls, has launched a \$1.3-billion fraud suit—the largest in U.S. history—against Lincoln's former governor, American Continental Corp., of which Keating is still chairman.

Writing, one insider, is also a central figure in a Washington political scandal over millions of dollars in contributions from S&L executives to several U.S. senators. The Senate ethics committee is currently investi-

gating the so-called Keating Five—Alan Cranston of California, John Chafee of Ohio, Howard Leight of Michigan and Dennis DeConcini of Arizona, all Democrats, and Arizona Republican John McCain—who received a total of \$1.6 million in campaign contributions from Keating.

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Indeed, the collapse of just one S&L, the Centrust Bank of Miami in February, will cost

Business Notes

TRUMP TRAPPED

Financial problems for New York City real estate mogul Donald Trump mounted, so investors on two of his Atlantic City casinos launched a class-action lawsuit that alleges he breached contracts with bondholders, committed fraud and violated securities laws. The suit follows disclosures that Trump is attempting to renegotiate the terms of \$2.5 billion in loans.

ADVANTAGE LOST

For the first time in 28 years, Canadian auto sales could have surpassed those in the United States, according to a study by economists at Toronto-based Wood Gundy Inc. The change over the past five years is especially dramatic because of sharply rising labor costs and increases in the value of the Canadian dollar. In 1985, Canadian manufacturers had a 35.5-percent advantage; by 1989, they were at a 3.6-percent disadvantage.

SMOKING BAN POSTPONED

Transport Minister Jean Lapierre postponed the elimination of smoking on intercontinental flights on Canada's airlines from July 1 of this year until July 1, 1993. Air Canada and Canadian Airlines International Ltd. had requested the delay, announced last December, claiming that it would lead in the first year to \$40 million since lost in revenues to competitors.

UNEMPLOYMENT RISES

Canada's unemployment rate jumped to 7.6 per cent in May from 7.2 per cent in April. But even though the increase is a sign of a continuing economic slowdown, economists said that it likely was not large enough to prompt a large decline in interest rates.

SUN LIFE GETS BIGGER

Sun Life Assurance Co. of Toronto is buying Toronto-based Coward Trust Co.'s main loan business for \$160 million. The purchase makes Sun Life, which is preparing to compete with banks under federal deregulation, the country's eighth-largest trust company.

SOVIET DEAL FOR GM

General Motors Corp. is negotiating a \$1-billion, five-year contract to supply Volga Auto Works, the Soviet Union's largest automaker, with catalytic converters and other pollution-control parts. Executives with GM, which is currently expanding in Eastern Europe, said that the heavily currency-strapped Soviets will be able to pay in U.S. dollars.

Washington more than \$2.8 billion. Said Federal Reserve Board chairman Alan Greenspan, standing just inches below the Senate banking committee: "The size of the hole is astronomical."

Later this month, the RBC plans to begin writing amounts to a few sales of 25,000 large closed properties. Those mortgage sales have alarmed lenders and real estate investors, particularly in the southwest, who have already been squeezed by falling real estate prices. But RBC chairman William Seward says that the agency cannot afford to pay interest and carrying costs to maintain equity houses and office buildings that are not generating rental income. Indeed, developers have already raised hundreds of unsold or unsupervised houses and buildings that financial firms are unable to sell.

Accounting for the real losses has also become a contentious political issue. Lyle Leat, RBC's budget director Richard Demson met with congressional leaders in closed-door negotiations but had a method of accounting for the losses. Bush has kept the negotiators a closely guarded secret, hoping to avoid disclosures that could spark panic in financial markets. The budget documents are expected to list for at least two main assets: Mortgage loans, which are under heavy pressure from the federalization



Reeling: political scandal and the largest fraud suit in U.S. history

to meet strict limits set out in the 1985 Gramm-Blender-Hollings deficit-reduction law. It forces the government to make drastic budget cuts if predetermined deficit targets are not met. But by adding the real losses to the federal deficit, the targets could become nearly unattainable.

In order to preserve the legislated targets, some officials have recommended that the losses be put through so-called off-budget government accounts. Robert Lohr, a senior fellow in economic studies at the Washington

based Brookings Institute, recently proposed a more likely solution. Under his plan, real losses would be added to the deficit, but not included in the Gramm-Blender-Hollings deficit limits. "It is almost certain that government spending will be in the budget, but that it won't force the draconian budget cuts."

Government officials are also trying to soothe the growing concern at the American banking industry. Alarmed by the severity of the real losses, some bankers have become more cautious about all types of lending. That trend, in turn, is threatening to create a credit squeeze in the United States. As well, because the government-backed bonds issued by the RTC are soaking up huge amounts of savings, the Fed has had to put up with increased pressure on U.S. interest rates. As a result, late last month's Greenspan took the extraordinary step of meeting privately with top bankers to avoid a credit crunch as credit. Financial analysts say that Greenspan is concerned that the bankers' tight grip on lending could up the economy into a recession. Clearly, in one way or another, the American economy will be shaken by the aftermath from the real losses for many years to come.

PATRICIA CHENOWETH with WILLIAM LOHR THOMPSON in Washington

PROTECTING THE TRUST COMPANIES

In an effort to guarantee that the kind of disaster currently overwhelming U.S. financial institutions does not happen in Canada, the federal officials are aware that just closing off the U.S. savings and loans trust companies. Both are involved in real estate lending. But officials say that a financial institution is highly unlikely in Canada, mainly because of stricter Canadian regulations. Still, speculative real estate loans supported by banks and trust companies in Vancouver, Calgary and Toronto in the past two years have led to the country's financial institutions in their markets. Home and building owners, who borrowed heavily to finance their purchases, fell behind in their mortgage payments, while the value of the properties backing their loans plummeted.

Determined to prevent similar failures in the future, Mackenzie and his staff have reviewed

the workings of the real estate loans of financial institutions, particularly in southern Ontario where the real estate boom has taken a sudden downturn. To ensure an early warning of potential trouble, Mackenzie says that government consultants are "going through the whole range of portfolio and inventory systems."

The news so far is good—but his office has detected its instability. Says Mackenzie, "The institutions anticipated that downturn more than a year ago and began to exercise careful loans on their lenders." Still, he adds that smaller institutions may be tempted to take higher risks. As a result, Mackenzie says that such institutions come in for special attention to make certain that the Alberta experience is not repeated.

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Mackenzie early morning

P. G.

Bay Street crackdown

A former federal cabinet minister faces allegations

Many of the most flagrant cases of insider trading that fueled the great North American bull market of the 1980s are now being investigated by the Ontario Securities Commission (OSC) alleged that

87, who was appointed last September, to ensure that trading in Canada's largest exchange is beyond reproach. Said Anna Taylor, chairman of the investment firm Scotia-McLeod Inc., "Under Mr. Wright, I think the OSC will be diligent and vigilant."



Toronto Stock Exchange trading floor; Richardson (below): catching cheaters is complicated

James Richardson, a former Liberal defense minister, had been convicted—perhaps illegally—of insider trading on the Toronto Stock Exchange (TSE). The action took place two weeks after an OSC ruling that penalized Gordon Capital Corp., one of Bay Street's most aggressive and speculative investment firms, for violations of takeover provisions in the province's Securities Act—a strong signal to many people in the investment community of the OSC's commitment to wiping out any remaining excesses.

The investigation of Richardson, a director of James Richardson & Sons Ltd., a prominent Winnipeg oil, natural-gas and grain holding company, is one of the most important proceedings in a five-year-old crackdown by the OSC. Richardson, a member of one of Winnipeg's wealthiest families and a member in Pierre Trudeau's cabinet, is among the most prominent figures to come under OSC scrutiny. Following the Gordon Capital decision, the OSC undertakes the commission's determination under new chairman Robert Wright.

The allegations against Richardson result from his conviction by the now-closed Pacific Regent Technology Corp. (Prestco) of Kingston, Ont., which prepared to manufacture lightweight plastic casings for lawn mowers and snowblowers. According to documents released by the OSC and the Manitoba Securities Commission, which are being kept together in the case, Richardson lost Petro \$500,000 in December, 1988. But in February, 1989, Larry Woods, a Petro director, told one of Richardson's associates that Petro had possible bankruptcy. The OSC says that Woods then advised Richardson that he could recover the value of the loss by short-selling Petro shares. In a short sale, an investor borrows stock from a stockbroker and sells the shares. If the price of the stock falls, the

investor makes money by buying the borrowed stock. The OSC alleges that Richardson realized \$229,575 by short-selling the Petro shares.

But one document also shows that he may not have known he was acting on inside information. According to the documents, Wright told Richardson to believe that the information had already been made public. More details will be released at a post-hearing in Toronto next week.

The OSC's action was a dramatic follow-up to the controversial Gordon Capital decision. Two weeks ago, the OSC barred Gordon from trading shares in its own account as the TSE for 10 trading days beginning on June 18. Last week, it issued the penalty, ruling that it did not extend to underwritings of new stock issues and other transactions begun before June 6. In the Gordon case, the OSC ruled that one of its most respected traders, Donald Wood, who was also hit with a five-day trading ban, misled investors: provisions in Ontario's Securities Act by failing to disclose a holding of more than 1% per cent of the preferred shares of multi-pot manufacturers (MPC) Industries Ltd. of Toronto in 1987 and 1988.

In order to enhance public trust in the market, Wright has also taken important steps to protect the rights of small investors. The OSC is proposing to implement new policy to govern transactions between companies with common directors or mutual owners. Under the guidelines, some transactions between the linked companies would now require approval from a majority of small shareholders. "We are really getting some action on these things,"

But catching cheaters is more complicated. Court decisions have shown that a long-awaited law aimed at ending violations by former Dominion Securities Ltd., now called Dominion Securities Inc., and its former chair trader Michael Boudreau. Under the law, the OSC is determined to make the 1980s legacy of excess.



BOWD BOWD with MICHAEL BODREAU in Toronto

Cleaning up on dirt

Canadian firms cash in on the environmental market

For many Western companies pursuing opportunities in Eastern Europe, the degree of industrial pollution is one of the greatest deterrents. Many sites and water supplies are too contaminated even for indus-

trial use. But, for other companies seeking environmental technology and expertise, Eastern Europe is a promising new frontier. And now that the World Bank has begun to offer low-interest loans to help these coun-tries

strengthen nations reclaim their contaminated air, land and water, several are negotiating with Canadian firms who are among the world leaders in this new field. Last month, Andrew Beskelski, the chief executive of Burlington, Ont.-based Zimex Environmental Inc., returned from Hungary, where he met officials in three cities, including the industrial city of Tuzs, 60 km northwest of Budapest. They discussed several possible deals, including a joint venture to distribute and service Zimex's industrial waste-water purification systems in Eastern Europe. Said John Colman, Zimex's president, after the five days of talks: "If the money is found, the opportunity is incredible."

As pollution fighting becomes a leading priority for governments around the world, Canadian companies are gaining an early lead in many key segments of the booming and competitive environmental market, including the design of curable blue-box recycling programs, acid-soil-control equipment and engineering services.

Overall, pollution control is now a \$10-billion-a-year industry in Canada, and, although Statistics Canada does not yet measure environmental exports, many industry executives say that foreign sales are the fastest-growing part of their business. A 1989 Price Waterhouse report found that exports accounted for more than 50 per cent of British Columbia's environmental revenues, while a 1988 Macdonald Gordon study concluded that 33 per cent of Ontario's environmental sales came from exports.

In fact, the provincial Ontario International Corp. claims that environmental products and services will be the single most important export sector for the province during the next five years, especially to countries where industry has operated unchecked for decades. The United States is the largest market for the new technology, and it is expected to lay even more emphasis on the passage of the stringent new Clean Air Act by the U.S. House of Representatives last month. As well, Canadian executives are now targeting Eastern European and other markets where industrial pollution has become a serious hazard. Said Colman, who expects that 20 per cent of his company's \$25 million in revenues this year will come from exports: "It is tragic when you see uncontrolled pollution and an opportunity that we can make money and also go to bed knowing we helped clean it up."

Companies that were traditionally among Canada's worst polluters are now some of the key exporters of environmental know-how. Pencoil is spending millions to conform with new environmental standards at home, they are recovering some of those costs by selling new pollution-control equipment abroad. Giant nickel and copper producer Inco Ltd. is spending \$500 million over five years to curb acid-rain-causing sulphur dioxide emissions at its huge Sudbury, Ont., smelting facilities. On the other side of the ledger, it has earned \$18 million by designing cleaner smelters for two southwestern U.S. copper producers, and is pursuing other foreign sales. The company

of Inco's new technology is a fluid furnace that converts sulphur dioxide into marketable sulphate and—used as a precious metal by—through spontaneous combustion.

Two other Canadian companies are making moves in the acid-rain-control market—Union Carbide Canada Ltd., a Toronto chemical producer, and TransAlta Utilities Corp., an electricity utility in Calgary. TransAlta and several private and public partners are spending \$40 million to complete testing on a low-cost coal burner for industrial and thermal electric power plants. Both companies view the United States as a lucrative market as hundreds of its coal-fired power plants race to comply with strict new sulphur dioxide emission limits. TransAlta offers a coal burner that uses calcium to capture the sulphur and convert its harmful nitrous oxide into more benign nitrogen gas. Union Carbide's system is a patented acid-soil-control that uses a chemical absorbent to clean eating gases. The system costs about 20 per cent less than other scrubbers.

Another Canadian company, Solechem Environmental Systems of Richmond Hill, Ont., has won U.S. customers by developing a method to purify groundwater polluted by leaks from gasoline storage tanks. Solechem's enhanced oxidation system converts benzene and other gasoline components in the water into very innocuous carbon dioxide. Earlier this month, it landed two of its portable treatment systems—which cost \$5 million each to build—for \$12,000 a month each to maintain, cleaning up a gasoline-drum storage site in New York.

In an effort to solve their garbage crisis, other overseas customers are importing Canadian recycling technology. Last January, an associate of 34 major international leverage companies, including Swiss-based Nestlé and the Atlanta-based Coca-Cola Co., hired Provenex International Systems of Toronto, which designed Ontario's blue-box curbside recycling program to help them conform to new container disposal regulations in Europe.

As part of a \$10-million two-year test project, the residents of Dunkespey, France, and Sheffield, England, are already picking their bottles and cans into recycling bins similar to those in Ontario. Some even will eventually feel their way to Europe's first aluminum-beverage-can recycling plant, a \$40-million facility that Alcan Aluminium Ltd. of Montreal is now building near Manchester, England.

Canadian environmental exporters predict that in the future, as more stringent regulations, such as the Clean Air Act, are enacted abroad, they will add to the demand for their products and services and will put pressure on Canadian companies like TransAlta Utilities and Union Carbide Canada to accelerate the development of their technology. Indeed, it is no longer unrealistic for some industries to feel exactly the regulated pollution controls. Now, one company's waste is another's wealth.

ANN WALMSLEY

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Dealing at all hours, around the world

BY PETER C. NEWMAN

If Canadian business has a temple devoted to wringing that new age of 24-hour markets, globalization and computer control, it has to be the fifth floor of the level-new 100 Pine Avenue, sitting up the sky-line of downtown Toronto. This state-of-the-art, \$100-million facility, the country's largest and most sophisticated private trading room, is a holdout by Wood Gundy, once Canada's premier investment house, to regain its former glory as Canada's largest and most influential securities dealer.

The star of a local field, the volume-boom here with its spectacular vaulted ceiling is lit by the rosy glow of 240 traders' monitors and 270 computer terminals. Some 300 miles of cable feeds the screens to a communications room on the same floor, which allows instant contact with similar facilities. Wood Gundy facilities in London and New York City. The electronics allowed operate at such intensity that the best generated requires a cooling system pumping 400 gallons of chilled water per minute. If there's a power failure, diesel-generator backups can keep the screens lit for as extra 16 hours. An automatically triggered race-recording system keeps track of every trade's conversation in one place in a retrospective, lightning-quick any transaction.

"Our new trading floor," says Wood Gundy chairman G. Edmund King, "provides a kaleidoscope of communications facilities that multiply our domestic and international trading capacity." A sharp departure from the staidship of Ted McLaughlin, who ran the firm with all the state-of-the-art and old-school of a Montrealer, King, 58, is a 33-year-old French veteran who joined the firm as a fresh University of Toronto economics graduate in 1967. A stint and forward-looking modernizer, King was deputy director of the late noted careers of Bay Street's boardroom was his association with investment-brokerage John DeLoraine in the early 1970s. The two met when DeLoraine was a senior executive of General Motors in Woodward Hill, Mich., and King was head of Wood Gundy's

two years ago for \$50 million. (The balance is owned by Wood Gundy partners.) "Conventional wisdom at the time of merger," recalls King, "was that brokers were strategically and visually different from banks—that we operated and thought differently. Many assumed that we wouldn't be able to coexist, partly because the bankers wouldn't understand why our salaries were so much higher. In point of fact, the situation has turned out to be quite different. We have more in common than we expected."

King insists that the two cultures have been successfully merged, because the business has actually been split into commercial and investment banking. An example he cites is the fact that the CIBC has taken over Wood Gundy's former foreign-exchange department, while the bank's fixed-income trading has moved over to the brokerage house. Says King: "One of the great fears was that in the case of people on commission doing good markets, the higher levels of commission would be a motivation to the bank, and that the banks wouldn't be able to understand why the commissions should be so high. In fact, the banks have been able to understand why the commissions should be so high. In fact, the banks have been able to understand why the commissions should be so high."

With Canadian retail stock sales unlikely to recover, at least in the short run, Wood Gundy along with most other major Bay Street firms has moved into diverse derivative products in other markets. Its King-King office has formed a joint venture with the powerful La Roshelle's Cheng King Holdings. The joint venture is called CIBC Wood Gundy and operates as an investment house and securities dealer. Wood Gundy is also involved in running an Asian-based mutual fund called Singapore Asian Trust. A significant portion of the mutual fund's portfolio is invested in a major Thai cement company.

Wood Gundy has also moved actively into the swap market—arranging exchanges of currency and interest payments, so that if one company has some floating-rate borrowings outstanding and another firm has some fixed-rate debt, perhaps in another currency, they can exchange their obligations, with Wood Gundy collecting a hefty commission fee in the process. That probably has less to do with being an investment house than becoming a bank, because it has the companies involved renege both on their currency borrowings and swap clients. Swap activities have grown so large that Wood Gundy now carries swap books in Australian dollars, Deutsche marks and Japanese yen as well as in Canadian and American dollars. Wood Gundy is good example of a traditional investment banker who is now a swap dealer, and what that means is no longer trading Canada as its only—or even main—marketplace. From being a dealer that demanded a lot of by services but not much else, globalization has almost overnight become a way of life. Trading worldwide, with less than 10 years to survive in the supercompetitive climate of the 1990s. And Wood Gundy is rapidly moving towards the leading edge of that brave, if perilous, world.

After its takeover by the CIBC, Wood Gundy—under new leadership—is being resurrected to its former glory

U.S. operations, and they became friends. King became a director of DeLoraine's grandiose securities venture and was the first Canadian to drive the pull-wound car, testing it in Canadian winter conditions. He eventually had a disagreement with the would-be automotive tycoon and left the board before it went bankrupt.

King's firm now employs 2,700 people in 84 offices spread across Canada, as well as others in New York, London, Paris, Tokyo, Boston and Hong Kong. The Japanese operation has recently been upgraded to full branch status from the representative office maintained there since 1972, which means it can handle deals directly instead of merely referring them back to head office and can deal as a full securities broker there. The traders in Tokyo can also underwrite public offerings for pre-announced deals.

At the same time, Wood Gundy has been cutting back its U.S. business, declaring redundant its New York equity research division, while its 18-person Toronto-based retail equity solutions team has also been let go. These and other adjustments are all part of the restructuring of the Canadian Imperial Bank of Commerce buying control (82 per cent) of Wood Gundy

PEOPLE

Pressing the flesh

After repeatedly hating her breasts while campaigning for free love and environmental protection, port star Carolanese was a seat in Italy's parliament in 1987. But last week in Toronto, her second stop on a Canadian touring tour, the Hungarian-born actress told Markov's "I don't discuss in parliament anymore." Carolanese,



Carolanese: 'I love sex'

38, who was born Irene Stiller and whose professional name means "little fairy one," added that her personal motto is "I love sex." But her legislative record is more serious: she led a Rome constituency has introduced sex bill that has the use of force for war and another that would raise funds for planning wars by taxing automobiles. Still Carolanese: "It's better to come up with strong bills than to show off your looks."

How to be corrupt but funny

Canadian actor Saul Rubinek says that he is "having a lot" playing "a morally reprehensible" attorney in the movie version of Tom Wolfe's best-selling novel, *The Bonfire of the Vanities*. Rubinek, 41, who won a 1982 Gemini for his



High-society crimes

Writer Danne says that readers will love short-lived "The rich and powerful in scandalous and criminal situations." *Black* has new novel, *An Inconvenient Woman*, is about high-society sex. Danne, 64, also reports on the real-life rich. He recalls interviewing Isabella Marconi just after she fled the Philippines. "She talked about 'loving everything,'" Danne says. "She was young, but she gave a fascinating performance."

Danne: scandalous situations

PLAYING ALIVE

In 1987, doctors told jazz musician Stan Getz that he should stop playing—he had liver cancer, and had only a few months to live. But says Getz, 43, "The music is keeping me alive." Last month, the tenor saxophone player, best known for his 1964 hit *The Girl from Ipanema*, released *Acoustics*, his first major album in 10 years. Getz says that he is keeping his cancer at bay with a reasonable diet. "I decided I wasn't going to let cancer be a death sentence," he added. "What I like about jazz is that it's always changing, always growing—it's alive."

Hero worship

Let every contemporary musician, says Medley, say that as a teenager, she would sing like Dylan. Now 37, Medley sings her own songs as the opening act on Dylan's current North American tour. That comment, says the Vancouver-based singer, whose recent self-titled debut album is already a Canadian success, has won her a U.S. recording contract. As for performing to her idol's rock, Medley acknowledges disappointment that she has not yet met him. She added, "Dylan is very, very private. I'll meet him when he wants—then it will get right."



Medley: singing own songs



unflattering view of humanity, but it makes because it's funny." Much of the movie is being filmed in New York City, where the book is set. Says the actor: "Practically everyone in the movie is morally corrupt, like everyone in New York." Adds Rubinek, who grew up in Ottawa but now lives in New York: "Well, not everyone."

performance as a stand-up comic in *Ticket to Heaven*, adds that he plays "bad guys" like "good guys." Says the actor: "I act as if I am convinced that I am doing the right thing." The movie, like the book, adds Rubinek, "is a delicious black comedy full of greedy people. It is a very

Rubinek: "black comedy"

PUMPING PROFITS

THE BIG STUDIOS
ARE FIGHTING
IT OUT AT THE
BOX OFFICE WITH
ACTION MOVIES

The Hollywood arms race is on. This month the major movie studios unveil their heavy artillery as the annual battle for the summer box office. With few exceptions, their armaments consist of big-budget action movies, cartoonish fantasies dedicated to the art of the car crash and the benefits of blowing things up. Many of the summer movies are sequels to last-summer action hits—*John Q.*, *The Hunted*, *Young Guns* II, *Grease* II, *Road to the Pacific* II. Another 40 films, still, share some core prototypes, and none is more heavily anticipated than *Dick Tracy*, which opens this week across North America (page 31). Director Warren Beatty stars as the dapper detective who talks to his wristwatch. But it is Madonna, costarring as the sleazy cabaret singer Iris, who is getting most of the attention. No one looks, acts or talks more like a movie star than Madonna (page 40). Like Arnold Schwarzenegger, star of the sci-fi thriller *Total Recall*, which opened on June 1, the projects intersect. And she is armed with a special effect that has come to mean as much as talent: attitude.

The prevailing attitude behind this summer's movies is one of exceptionally calculated ambition. More than money and glamour no longer suffice. In the 1990s, a self-respecting superstar is working towards global hegemony. The biggest names in this season's lineup—Madonna, Schwarzenegger, Tom Cruise, Eddie Murphy—are the status symbols. They rule the New Hollywood, which still has an American face, but is increasingly controlled by foreign interests and responsive to the demands of a world market—international sales can account for more than half a movie's revenue. The studios are spending more than \$2 billion on this summer's movies—70 per cent more than last year. It is the action movie with the extra-brand cast that cuts the widest swath through the market.

At the moment, the two biggest stars on the planet are Madonna and Schwarzenegger, the Bad Girl and the Badly. Madonna's sound-track album, *I'm Breathless*, is near the top of the charts, and she is now in the soul of a world tour that seems to be living up to the seductiveness of its title, *Road Anarchy*. She sings, acts and dances, but her singular talent is the



Schwarzenegger, Madonna, Beatty (right); Walker (below) cold-blooded ambition

art of celebrity itself. Schwarzenegger's iron features grace the covers of three major American magazines this month. And he was recently named chairman of the U.S. President's Council on Physical Fitness. The former Mr. Universe is "a living legend" according to Arthur Cohen, president of worldwide marketing at Paramount Pictures. "It doesn't matter what he's in, people like him."

Both Madonna and Schwarzenegger are self-made stars from humble backgrounds who have built their careers from the body up. The daughter of a Michigan automobile engineer, Madonna finally danced her way to the top, the son of an Austrian policeman, Schwarzenegger turned pumping iron into a respectable fist. They have both constructed personas brimming with aerobic, cybernetic self-confidence. Both are living examples of blood ambition, of the survival of the fittest and the succession of the strongest. *RoboQueen* and *RoboKing*.

Maniac. Meanwhile, movies take place in utterly synthetic worlds. *Total Recall* offers a vision of the future with Schwarzenegger in a secret agent conducting a mission to a distant world. It is brutally violent, and the stunt men outshine the actors. A low-tech fantasy, *Dick Tracy* offers a synthetic vision of the past, a comic-strip top town of preposterous characters and solid pop colors.

Despite their differences, both movies are examples of the new trend of style in Hollywood—the distillation of art direction. They are essentially the visions of production designers creating hyper-detailed cityscapes. Several sets have become as central to the action movie as stunts, special effects and prosthetic makeup. And the most



fantastical architecture is the heavy, brooding style from the 1930s, known as German Expressionism.

For the past two years, Hollywood's top-grossing movies have been highly stylized fantasies. In 1988, Disney's *Who Framed Roger Rabbit?* dazzled audiences with the coquettish integrity of cartoon characters who live within Earth's reality. The movie was a critical sensation by bringing a comic-book hero to life in a dark-haunted melodrama. This year, the producers of *Dick Tracy* are banking on a similar response. And in their attempt to make *Dick Tracy* the movie event of the summer, they spent \$30 million on its release and promotion. But, according to the Los Angeles-based National Research Group, a private market research company, *Dick Tracy* may still fail to ignite the box office. Children and teenagers tend to be unimpressed with the comic-strip character, who at his peak of popularity in the 1930s appeared in more than 600 newspapers, but has since faded from popular culture.

Superstar. *Dick Tracy*'s star, middle-aged sex symbol Warren Beatty, has little appeal among younger moviegoers. In fact, Beatty's self-edged vulnerability and enigmatic charm is far removed from the armor-plated image required of a bankable superstar in the 1990s. After the catastrophic flop of his previous movie, the 1987 desert farce, *Major Domo*, 35, clearly releases his artistic constraints as a filmmaker with *Dick Tracy*'s narrative visual style. But he may have to rely on Madonna to lure teenagers into the theaters.

With so many huge budgets in the line, the stakes at the summer box office are unusually high this year. Costing about \$30 million, *Dick Tracy* is one of the more modest entries. *Total Recall*, *The Hunted* and *Days of Thunder* all cost close to \$40 million. Expensive Tom Sternik, head of distribution and marketing at Twentieth Century Fox. "It costs a lot of money to blow things up and make them sell and blow them up again." Also, the dizzy, dizzy high price tags—the makers of *Total Recall* are paying Schwarzenegger at least \$11 million, plus a slice of the profit. But the movie had the strongest opening weekend so far this year, taking in \$30 million at the box office.

Hardball. Some Hollywood executives seem to derive a masochistic thrill from this summer's game of big-money hardball. Disney chairman Jeffrey Katzenberg, whose studio costars *Dick Tracy*, recently exchanged doffing faxes with *Days of Thunder* producers Don Simpson. "When ever you go you won't escape the *Thunder*," wrote Simpson. Katzenberg scribbled a reply: "What did you see how big my feet are."

They may both be right. *Days of Thunder*, starring Tom Cruise as a stock-car driver, is certainly a favored entry at the summer moviepalaces. Reunited Cruise with the producers and director of the 1984 box-office hit *Top Gun*—in which Cruise played a fighter pilot—*Days of Thunder* could be considered *Top Gun* on wheels. The story focuses on the

SELF-RESPECTING SUPERSTARS ARE STRIVING FOR GLOBAL SUPREMACY



Murphy: With (below) the art of the car crash, the business of blowing things up

relationship between Cruise's character and a jet-crew chief portrayed by Oscar-winning actor Robert Dornell. Although it is not a sequel to *Ty Guy*, it clearly has the same winning formula on its side. But like a jet crew racing against the clock, *Thunder*'s film makers have had a hectic job trying to complete their movie in time for its June 27 release date. They have had just five weeks to edit more than one million feet of film a task that would usually consume at least five months. And less than a month before the release date, they were still shooting new footage of Cruise at Florida's Daytona International Speedway.

Bringing out of a different color, newcomer Andrew Dice Clay stars in *The Adventures of Ford Fairlane*, a comic thriller about a private detective investigating the death of a heavy-metal singer. An immensely popular stand-up comedian, Clay has already carved out a notorious reputation for himself. His comedy routines are X-rated shovelfuls of racist, racist and homophobic humor. New York City's *The Village Voice* called Clay "a demagogue playing to the rampant rage of the crowd." His racist harangue of Saturday Night Live jumped-kick singer Sheila O'Connell to cancel her appearance.

Epidemic: But Clay's attention-grabbing vulgarity fits right into the ambience of the New Hollywood. Twentieth Century Fox has signed him to a three-picture deal. Besides *Ford Fairlane*, he appears this summer in a comedy concert movie, *Michael Levy*, *Ford Fairlane*'s executive producer, predicted, "If this movie makes it, there's no stopping him." Unstopability—it is the Hitler-evokes-Polish theory as applied to show business.

The model for Clay's Hollywood crossover is Bobbie Murphy, another performer who used a raw stand-up comedy act as a springboard to the big screen. A paragon of insecurity compared with the *Deerhoof*, Murphy is closely related with Nick Nolte in *Another 48 Hours*, a sequel to *48 Hours*, the 1982 hit that revivified Murphy's movie debut. Among other sequels, *The Hard* is expected to be a tough contender. It shifts the original's battle-as-a-looking-for-an-support-in-Washington, D.C. Bruce Willis returns as the lone-gon detective who takes on a squad of mercenaries. But American film-maker John McTiernan, whose direction of 1988's *The Hard* was brilliant, has been replaced by French-

born Ronny Harlin—who also directs *Ford Fairlane*.

Directors of action movies appear to be playing musical chairs this summer. *RoboCop*'s high-powered Dutch ancestor Paul Verhoeven traded up to the extravagant pyrotechnics of *Total Recall*. American Irvin Kershner, who wrangled talents on *The Empire Strikes Back* in 1980, has taken his place as the *RoboCop* sequel. In *RoboCop 2*, Peter Weller is back in the title role, an infamed cop who in part human, part robot. Recused as a cast of chosen-skinned New glans, his character fights an epidemic of a devastating designer drug called *Nuke*. Frank Miller, the inviolable U.S. comic-book artist who co-wrote the script for *RoboCop 2*, says that the *RoboCop* sequel remains faithful to the original's spirit of "schlock humor—it's all-out assault on the excesses of the lighties."

Excess: In most sequels, however, the brutal assault of unity becomes just another form of excess. It seems unrealistic to expect anything less than over-the-top excess from *Cobra 2: The New Hatch* or *The Exorcist III: Legion*. And in the more benign *Back to the Future III*, where the DeLorean time machine spins its wheels for Michael J. Fox for the last time, the premiere waves that. Other summer movies are the supernatural include *Ghost*, in which Patrick Swayze plays a man who comes back from the grave to protect his girlfriend from criminals, and *Ghost Dad*, featuring Bill Cosby as a drowned father who comes back to haunt his family. For children, who still prefer war cartoons, the schedule includes two war sequels, *Gladiator*, *The Prince and the Pauper*, and *The Young Heroes of the Last Temple*, and a re-release of 1967's *The Jungle Book*.

After the actual heat wave of action movies, however, some more adult titles are in the horizon later in the summer. In *Presumed Innocent*, based on Scott Turow's best-selling thriller, Harrison Ford plays a prosecutor who stands trial for the murder of a female colleague. Then, the most beloved sequel in the history of Hollywood, *The Godfather*, arrives. A sequel, directed by Jack Nicholson. After coasting the role in *Cleopatra* 16 years ago, Nicholson resurfaces as private eye Jack Gittes.

An older acting legend, Marlon Brando, returns to the screen as a Mafia boss in *The Freshman*. And director David Lynch, co-creator of the TV soap opera *Twin Peaks*, springs *Wild at Heart* on North America. The movie, which took top honors at the Cannes Film Festival last month, is a tale of two lovers on an ill-fated odyssey across the American South. It is sex, violence and more inflammatory than all of the action movies combined.

More than anyone, Lynch represents the new tyranny of style. But he is one of the few American directors with a distinctive voice. Increasingly, the stars rule. They call the shots on movies custom-made to fit their age. And the line between the actor and the role often seems perilously thin. In a recent *Playboy* interview, Schwarzenegger said, "For every punch, there's a delivery. There will always be those 10 guys shooting at you, but you must live on the offensive." He was talking about his career plan, not his latest action role. For Madonna, too, believability is in vogue. In *Dick Tracy*, she dresses to kill. On the *Blind Ambition* test, she plays the warrior queen, equipped with armored underwear and as attitude to match. She has found her place among the cartoon boys of summer.

IRISAN D. JOHNSON is in Los Angeles

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THE TASTE OF THE ISLANDS

SPARKING NEW MADONNA

A MEGA-STAR FIGHTS HER WAY TO THE TOP

The Toronto *SkyDance* had never seen anything like it. She danced in a metallic leotard with a pointy bra—suits that looked like it had been salvaged from the *Tin Man*. Lying face down on a red velvet bed, she thrust to the beat of *Like a Virgin*. She straddled an alien as a priest's robes. But the big production number came near the end of the show, as Madonna leaped and tumbled half a dozen dancers dressed in yellow trench coats and fedoras—cloaked as the dagger detective played by Victoria Beckham, her sister in the new movie *Dick Tracy*. "She, that's an interesting stage," she cooed, dancing to a record of herself singing a duet with Beatty, her sometime boyfriend. "It's all right," she said by way of encouragement. "Lots of people make records who can't sing." Then, as the song ended, she crassly knocked over the Dick Tracy dancers like bowling pins. In the movie, which opens this week, Madonna plays a thwarted seductress young for the situation of Beatty's detective hero. But onstage at the *SkyDance* last month, the attention was all hers. The top guy was playing the bass.

After less than a decade as show business, Madonna seems to be getting her way, in every conceivable way. As *Dick Tracy*'s unrelenting torch singer, flirtatious Madonna, she leaves the sort of bold sexual reputation that has not been since the days of Marlon Brando. It is a calculated pose, and whether she can really act remains a mystery. But that barely matters now. Madonna has always behaved like a movie star, finally, she is in a movie that makes her look like one.

Madness: Meanwhile, in her third *Madonna* world tour—which included just three Canadian shows, all in Toronto—she plays the pop star. With a maniacal energy and blinding heat, Madonna performs with the razzle-dazzle efficiency of a circus girl. As a singer, she has limited range. But she knows how to seduce a pop song. Her current number 1 hit, *Papa's Got a Brand New Religion*, is a duet of swirling, glissando, pop. She calls it "giving good love." And, she said, Madonna is in control.

She is flirting with overexposure—and wearing. Oranges, omelets and in the media, she has done a knock line getting attention. During a breast as a magazine, confining to talk show host Arsenio Hall that she means being spanked or asking giggling confessions about lesbian adventures with her friend comedian Sandra Bernhard—and then denying them. But her well-controlled bad-girl behavior is tempered with as equally controlled waves of humor and chastity. At the *SkyDance* concert, she shouted, "Don't be silly, put a rubber on your willy."



Madonna with dancer from her show, with Beatty (above) in *Dick Tracy*

She is a naughty girl for the safe-for-teens decade. The product of a large Roman Catholic family from Pontiac, Mich., the 31-year-old star has made minor personal indiscretions: "My audience is the whole 'n' generation," Jack Nicholson, a friend of Beatty and Madonna, told *Madonna* is a "nice innocent."

It doesn't matter if it's right or wrong—it's what it is. Added Nicholson: "She fits our fashion half-way after another and having great contacts about it. You can look at it two ways: wanting to wear your underwear outside your clothes, or wanting to have your tits be made public. They're just part of the extended person of the innocent."

Behind the provocative images is a well-organized business machine. She's slowly managing her own shows, she leads three companies. *Dick Tracy* deals with her same publisher, Slovic handles her videos and Steve Sperduto in film deals. Sure Records president Seymour



Starr, who first signed her to his label in 1982, told *Madonna*: "She really is many people's image of her, a very diverse, multi-faceted person. She knows exactly what she wants. She figures ahead." In the past four years, Madonna has earned about \$100 million. "It's a great feeling to be powerful," she has said. "I've been strong for a long time. I think that's just the quest of every human being: power."

Power is also an essential part of her act. Topping with rules of domination and submission, she has recently taken to promoting the pleasures of a little consensual sadomasochism and still *Boyz n the City*. Her new album, *I'm Breathless*—inspired by the show as "inspired by the film *Dick Tracy*"—features a juicy big-band number titled *Hardy Hardy*. "Trust me like I'm a bad girl! Does when I'm being good to you? I don't want you to think me! You can just spin me!"

Great: The music on Madonna's new album consists of old-fashioned torch songs and swing tunes—with the notable exception of *Wings*, which seems specifically designed for the Top 10. Most of the songs, including those by Broadway composer Stephen Sondheim, are clever and sophisticated, evocative of a vintage era. Madonna has even had a record and dropped her *Dick Tracy* music to better evoke the style.

The album—along with the *Dick Tracy* role—seems an obvious bid for a touch of class. But in her stage show, Madonna still puts a lot of faith in crass. "I know people say I'm ruthless, violent and manipulative," she yelled to the crowd in Toronto. "But you know that, right? When people get in your face, when they stab you in the back, you got to show them who's boss, right?" Then, as she pretended to kick a pair of female dancers, she said, "In America, people really die a little sometimes. Violence. What about you, Toronto?" Then, over a scream of approval from the crowd, she added, "Everybody feels like a little bit of pain."

Madonna likes to stir up scandal. And Toronto's police seemed to enjoy her kidding the *SkyDance* for her last Toronto show. According to record company officials, before the concert the police tried, unsuccessfully, to persuade police Maternal Goli to tone down her material. Still, no matter how much Madonna tries to provoke her image as a woman warrior, her stage act is remarkably conservative. The show is a tightly disciplined spectacle featuring precision choreography.

Clinically induced, Madonna is an excellent dancer—arguably, a better dancer than singer. As she sways her way through a carousel of costume changes by French designer Jean-Paul Gaultier, the concert unfolds like a ballet in a rock concert. The band plays in the shadows off to the side. And the music is plastic pop, sometimes removed from the blood and guts of rock 'n' roll.

The concept of it is Madonna's invented Catholicism, which assumes themes of pleasure and passion. "I admit I have this feeling I'm a bad girl and need to be punished," she has said. Her music also evokes an obsession with her father, schoolbook manager Tony Corcoran. And on her birthday earlier this month, he joined her onstage in Detroit. As the crowd sang *Rhyme & Reason* she bowed to her father and declared, "I worship the ground he walks on."

Born in 1958, Madonna Leone Veronica Corcoran was raised after her mother, who died of cancer when Madonna



In Gaultier costume: teasing, taunting with aerobic efficiency

was 5. The third of six children, she was born mostly by her father and her stepmother, Joan, who married him after working as his housekeeper—and had two children. The family lived in a cramped brick bungalow in Pontiac, where Madonna shared a bedroom with two younger sisters.

The death of Madonna's mother left an emotional scar that is still apparent in her music. The video for her song *Oh Father* shows the singer dancing on her mother's grave, a scene that she has described as "an attempt to embrace and accept my mother's death." Madonna told *Vanity Fair* in a recent interview, "I had to deal with the loss of my mother and then I had to deal with the guilt of her being gone and then I had to deal with the loss of my father when he named my stepmother. So I was just one angry, abused little girl. I'm still angry."

Nerality: Madonna's close friend when she was a child in Pontiac was Maria McNiffina, who lived two doors away. Now Maria McNiffina, who is a 34-year-old housewife living in Greenwich, N.C., and she talked to Madonna's friend about her relationship with the famous pop star. "I remember being really bad when her mother died," she recalled, "but it probably made her stronger because she hurt so bad. She probably wouldn't be where she is if her mom hadn't died."

As children, the two girls used to go to plays in Detroit's

backyard and charge the neighbors 10 cents admission. They would take turns wearing a wedding dress that they dug out of Mom's mother's closet. "I remember us fighting over who was going to be the star," said Melissa. "She was the prettiest girl I ever knew when we were little. She had this long, dark, curly hair and such a beautiful face."

Moss's idea of getting together with her was evident from an early age. Moss is really going to a dance with her. "When she started to dance, everybody cleaned off the dance floor and started watching. And I remember always being real self-conscious of dancing until that day." Moss added that she was also inspired by the chemistry of Marlon Brando's film *Julia*. "I just seemed like a really sweet lady to be with. She got along so well." Moss has stayed in touch with her childhood friend, visiting her backstage after concerts. She said, "I had her a while back. I feel like you're unattachable now." And she looked at me and said, "Why? I don't think she's forgettable, her friends. I just think she's real here."

Madison's mother and father, Wendell and Patricia McPherson, will visit Madison and his father and his second wife, who now live in Rochester, Mich. At first, says Patricia McPherson, Madison's family was "embarrassed by the notoriety that had attracted Tony as a very strict guy, but I think he's delighted with her success," he added. McPherson recalled that, even when she was dying, Madison's mother "always had a smile on her face. If you wanted to send a few more kids over to her house, that was always okay." Madison's stepmother, Joan, "was probably more of a disciplinarian," he said, "but she had to do a lot of work to take care of those kids. We always liked Tony that he had fun with his sons."

Provocation In fact, Maloney makes a telling reference to her stepfather in the current issue of *American magazine*. Describing her religious upbringing as extremely strict, she said, "I was not allowed to wear tangerines until I was married. My stepfather said it was like intercourse." Maloney—who divorced after Sean Penn in 1989, after a 30-year marriage—says that she lost her virginity at 15. An interviewer once asked her if it was a difficult decision. "Oh no," she deadpanned. "I thought of it as a career move."

Her fifteenth year was a turning point in her way of thinking. She began taking ballet classes with a dance teacher who recalled, "give me a sense of culture and style—he was the first formalism I'd ever seen." Madama, who was an A student, was a dance scholarship to the University of Michigan. After two years, at 20, she left to work with the Alvin Ailey dance company in New York City. But she rebelled against the discipline. She dyed her hair bright colors. She cigarettee around it on her dance and put it back together with safety pins. And then she abandoned ballet to live as a third-gender bohemian, learning to play guitar and modeling for art classes—samples of nude photo sessions from that period surfaced in *Playboy* and *Playmate* after she was famous.

In New York, Madonna got her first break by dancing in front of the deejay's booth at a Manhattan nightclub, where Mark Kamus, the deejay, noticed her. She gave him a demonstration tape that she had recorded with her boyfriend, guitarist Steve Nieve. Kamus, who also

became a boyfriend, began playing it for the patron. He later directed her to Sire Records. Her first album, 1983's *Madonna*, sold three million copies. Her second, 1984's *Like a Virgin*, sold six million. Her sexy, accessible songs—which Mick Jagger described as having “a controlled debauchery”—were not dumb enough to suck.

But it was Madonna's provocative poses on video and onstage that fueled her stardom—from the bare-midriff wedding dress that she wore for *Luke & Virgin* to the combustible mix of sex and religion in last year's *Luke & Jesus*. *Ray of Light*, which costarred

"She's fantastic," he says. "I knew she could be a star." The mogul's laconic answer: "She could be a major star," he says. "She *is* a star," says the mogul. "The biggest star in the universe, right now as we speak," says the mogul.

Niger: Trying to rule the prophetic narrative, Madonna starred in 1989's *Desperately Seeking Susan* as a free spirit who trades places with a housewife portrayed by Susan Sarandon. It was a flop, and since then, she has been desperately seeking a second hit; subsequent roles—Shogun, Superman, Who's That Girl? and Bloodhounds of Broadway—were all flops. In 1988, Madonna made her Broadway stage debut in playwright David Mamet's *Speed-the-Plow*. Stripped of character to portray a Hollywood producer's pristine secretary, she received mixed reviews. But as director, Gregory Mosier, told *Mothers* that she was a pro to work with. "She's very straightforward and glibly and funny," he said. "Sometimes you don't know if she's having you on. There's this wonderful ambiguity between a real person named Madonna Coccone and a persona."

Over the past decade, that self-invented persona has evolved from an ill-adjusted gothic to a dissonant snail. With the *Dark Tracy* role, she has acquired a new, skin-tight sense of elegance. Madonna was no longer for the part that she agreed to do if for mass scale, a relatively small \$1,650 a week. And, whether or not the movie succeeds, the *Heatseeker* role has already served her purpose. She has chosen to hold ground. *Sad Berry* (Diller, co-edited of *Twentieth Century Fox*: "She's such a movie star, in fact, that I'd say she's got a good 10 years to find the right movie to agree to."

Meanwhile, she can continue to be a pop star, the vocal princess of bubble-gum. On the concert stage, as she slips through her circus garbings of poses, the show unfolds like a kaleidoscope of sexual obscenity. The references range from Berlin cabarets to New York leather bars. It is hard to say what Madonna's stunning legions of youngmen think make of it all. But after the Toronto concert, a 42-year-old federal civil servant who had been sitting in the 18th row showed his head and muttered, "It's the end of life as we know it." For Madonna, it may be just the beginning.

BRIAN D. JOHNSON with VICTOR SWYER as Producer, W.C. ANNE CROON as Los Angeles and RAYMOND SPAIN as Denver



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SPECIAL REPORT

THE DASHING DETECTIVE

DICK TRACY GUNS DOWN THE HOODS

DICK TRACY Directed by Warren Beatty

In the most heavily promoted movie of the summer season, And it bears the burden of following last year's mega-hit *Batman*. Like *Batman*, *Dick Tracy* brings a comic-strip hero to the screen in a world of super-optimized costumes, makeup and production design.

Once again, comic rules not in a mock disguise that is an art director's dream. Yet, to its credit, *Dick Tracy* looks unlike any movie that has ever been made. *Batman* included. With its radical use of hard, pastel-like colors, it looks like a comic book come to life. Visually, *Dick Tracy* is a stunning achievement: it has the quality of a remarkably sustained optical illusion. The story, however, turns out to be as far as the film's painted landscapes. And as the visual novelty of *Dick Tracy* slowly wears off, it becomes clear that, for all its undeniable charm, the movie beneath its lacquered surface is hollow.

Directing himself in the title role, Beatty wears Tracy's yellow raincoat with aplomb. But he is playing himself, gaudily parodying his movie myth as a perpetual backdoor character, incapable of making an emotional commitment. His scenes with Madonna's Elizabeth Mahoney are electric, but too brief. The romance is a prolonged tease, glimpsed through the fire storm of his many showdowns involving too many gunshots to his much later making.

Chemistry: Going to ambitious lengths to deliver an arty action picture, Beatty has neglected the actor at his fingertips—his chemistry with Madonna. By treating her as a supporting player rather than a leading lady, he has squandered his most obvious asset. Madonna, who's been the poster girl for the movie, should have been the poster for Beatty's *Batman*. But she does not get enough script or screen time to spend the hero—just enough to prove that she deserves to.

The plot's main focus is Tracy's crusade against a rubble of frenzied gangsters. They are led by crime boss Big Boy Caprice, masterfully portrayed by a gravelly-voiced, lurch-backed Al Pacino, unrecognizable under prosthetic teeth. Big Boy's henchmen are a crew of deformed thugs with names like Flaming, Professor and Holy. Dustin Hoffman turns in a Marlon-like cameo as Marbles, an aseptic-looking informant with a speech defect that makes everything he says come out as gibberish.

Big Boy is a cross between a ruthless Mafia chief and a manic middle-aged preacher. After hearing the owner of a cabaret called Club Rita is now coming, he takes over the establishment and makes its torch singer, Brechtman Mahoney, his moll. Big Boy keeps her in line with a slap and a warning: "Around me, if a woman don't wear mine, she don't wear nothing." Mahoney, whose sheer desensitization is as close to nothing as clothes can be, sets her sights on seducing Tracy.

The detective, however, struggles to remain faithful to his grubby, plain and scowling Tim Treadwell (Kieran Healy). Tracy seems so

closer to settling down with Tina than to taking a desk job. But he suddenly finds himself as a makeshift family after he and Tina get stuck taking care of a street urchin named the Kid (Charlie Korsmo). An incident last when they take him in, the Kid becomes Tracy's biggest fan.

The Kid's hero worship is the key to *Dick Tracy*'s narrative—and a symbol of the filmmakers' attempt to transcend the old superhero for a new generation. *Tracy* is faithful to the comic strip created by Chester Gould in 1931, the movie is painted like a *Toyland* dream. The palette used for its sets and costumes is limited to the original shades that Gould used in the strip: fire-engine red, royal blue, banana yellow, apple green, burnt orange and scarlet violet. The effect of such a restricted color scheme is extraordinary.

Production designer Richard Sylbert has created a color-believe world where painted skylines merge with elaborate sets. And Italian cinematographer Vittorio Storaro enriches the illusion with gorgeous photography. The comic-strip style extends to the characters, who are exaggerated.



Beatty: richest action and paint-box colors bring a comic-strip story to life

to the point of parody. Oddly enough, the cinematic exception is Tracy, who appears to be acting in a movie all his own. While so many of his fellow actors are rendered unrecognizable by makeup, Beatty seems both in command and carefree. He looks and acts exactly like himself. In his scenes with Madonna, the familiarity works to his advantage. Genuine chemistry burns through the cartoon fantasy. She is fearless; he is flustered. And as she plays utterly sympathetic to his stormy virtues, the role resonates with the real-life reputation of the star behind the character. "You don't know if you want to hit me or kiss me," says Madonna, who has perfectly condensed to a taste for being spanked. "What I'm looking for is a driver, preferably one with some attitude," she adds, in what could be a comment on Beatty's own bedroom track record.

Verdict: What is both charming and frustrating about *Dick Tracy* is that it seems torn between boyhood fantasy and adult drama. The movie's spectacle of bloodless violence makes it relatively nostalgic fare for younger viewers, and yet not entirely make it a must see for grown-ups. But the movie strikes an awkward compromise. In keeping with the reputation of its director, *Dick Tracy* offers a good time—with no threat of immersion.

BRIAN D. JOHNSON

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A decade of glory

CNN celebrates 10 years as a global network

In mid-May last year, as they were preparing to crash a stalled uprising centered in Beijing's Tiananmen Square, China's Communist rulers abruptly halted almost all Western television coverage of the revolt. But the government still allowed a few images to trickle out of the country in Atlanta-based CNN News Network. CNN was able to transmit single-frame video images and audio commentary by telephone up to and beyond June 4, when the army cleared the square and crushed the revolt with tanks and bullets. Later, CNN executives concluded that China's leaders had deliberately used the network to inform the rest of the world that the Chinese authorities were in charge—and were firmly restoring order.

Accidentally, the 10th anniversary of its first telecast this month, the news organization's role in broadcasting the Tiananmen Square massacre to the world stands out as one of many landmarks in a tumultuous decade. CNN was launched on a shoestring by Atlanta billionaire Robert Fildes (Ted Turner is 49% owner). And now, the world's first 24-hour news network has emerged as an important factor in international affairs. CNN reaches 91 countries, including Canada, and during periods of crisis is upswung to be frequently a primary source of information for world leaders, military officials, and even intelligence agencies. As well, political figures frequently use CNN to reach a worldwide audience internationally. Said Marjorie Saker, a correspondent with CNN's 60 Minutes: "CNN is absolutely relied upon all over the world. It has become a major force worldwide."

The organization that supplanted its established network on one network to another "Chicken Noodle News" has achieved credibility and prominence primarily through its highly dependable around-the-clock reporting and live coverage of news events throughout the world. Most networks record events on videotape and broadcast the information later. But CNN has often carried hours of continuous live coverage, including the explosion of the U.S. space shuttle Challenger in 1986, which during the upheaval in

east Europe last fall, CNN broadcast live from the Berlin Wall, from Wenceslao Square in the Czechoslovakian capital of Prague, from the Hungarian capital of Budapest and from Bucharest in Romania. Because of the network's extensive and detailed coverage, such world leaders as U.S. President George Bush, Soviet President Mikhail Gorbachev, Canadian Prime Minister Brian Mulroney, British Prime Minister Margaret Thatcher and Cuban leader Fidel Castro are known to receive CNN in their offices.

Occasionally, political leaders know only as much about a major breaking event as they have seen on the news network. CNN executive vice-president SE Turner (no relation to the network's founder) said that reporters besieged a group of senators and congressmen after a White House briefing on the collapse of the East German government last fall but neither the senators nor the congressmen had much to offer. Said Turner: "They said that they were being briefed on what was being seen on CNN."

Besides being a vital source of up-to-the-minute information, CNN has also been used by governments and political leaders who want to deliver messages worldwide almost instantaneously. Steven Illworth, the network's director of public relations, and thus, during the U.S. invasion of Panama last December, which led to the downfall of dictator Manuel Noriega, the Soviet foreign ministry called



the network with a statement condemning the action before contacting the U.S. Embassy in Moscow.

At times, the network becomes an influential participant in the events it is covering. In 1987, with its government about to collapse, Philippine dictator Ferdinand Marcos used a state-controlled television station to urge people for U.S. support. CNN co-president Turner and that the network broadcast Marcos's statements at his mansion and without delay. He added that, after each report, American congressmen who supported Marcos would urge the administration, usually over CNN, to help the embattled dictator.

When CNN went on the air 10 years ago, few TV analysts anticipated that it would become a basic source of information for despots and democrats around the world. Initially, the service was available to only 7 million American homes that were connected to cable television systems. It had only 300 employees, most of them located in a two-story, Georgian-style building that was once a country club in Atlanta. Said Mark Walton, a senior correspondent and one of CNN's first Washington-based employees: "We were treated like a small, local TV station. I don't think any of us

Atlanta newsroom at times, an indispensable participant in the events it covers

thought of becoming a global network."

Now, CNN has 1,700 employees and operates news bureaus in nine American cities and in 16 countries. Annual revenues from advertising and fees charged to subscribers exceeded \$300 million in 1988, up from \$8 million in 1983. The network, along with Turner's other broadcasting and entertainment companies, is located in the new CNN Center, a 14-story complex in downtown Atlanta.

But the most important measure of CNN's influence is its potential audience. Using satellite transmission and cable delivery systems, the service is now distributed in 96 countries, including 25 in Europe, 10 in Asia, 15 in Latin America, 21 in the Caribbean, and Canada. According to Haverhill, governments are the major users, and sometimes the only viewers, in such countries as China, Cuba and Nicaragua, which do not have commercial cable systems. Still, almost 35 million American households, on million European and two million Canadian homes receive CNN. As well, the service is available in 973,000 hotel rooms in North America, Europe, Japan and Latin America.

The only country in which audience size is actually measured is the United States. According to ratings made by Nielsen Media Research for January, an average of 422,000 American households were watching CNN at

any given time during that month, an 85-percent increase over the average audience in 1985. By comparison, ABC reaches an average of 18.2 million households with its evening newscast, CNN reaches 9.6 million households, and NBC reaches 9.3 million households. During prime time, from 8 p.m. to 11 p.m. daily, an average of 778,000 households were viewing CNN, more than double the network's prime-time audience five years ago. The network attracted its largest average audience for a 15-hour period last Oct. 18, when almost 1.3 million households were tuned in at any given moment to watch CNN's coverage from San Francisco the day after the city was struck by a devastating earthquake.

News executives say that CNN's emergence as a global network has been partly due to improvements in satellite technology. As well, there has also been an increase in the number of satellites available to receive and transmit signals, can now beam space on live satellites in order to distribute its signals anywhere on the planet. The network will also lease time, when required, on any of the dozens of other communications satellites orbiting the Earth in order to receive national that it broadcasts on its programs. Said SE Turner: "It's a wonderful asset, and it's irreplaceable."

CNN's new gathering capabilities have been

further enhanced by the use of "flyover units" that enable the network to broadcast from remote locations. The units are, in effect, portable TV stations small enough to be stored in 22 subminiature containers. Once assembled, they beam signals directly to a satellite that feeds into the CNN network.

One striking issue is whether CNN, by harnessing this new technology, is primarily a reporter or an editor on the world stage. Montreal-born author and broadcaster Robert MacNeil, who is co-anchor of the *MacNeil/Lehrer Newshour* on the Public Broadcasting Service, said that CNN has changed the way many world leaders formulate policy and run their countries in a speech to a group of television executives in New York City in April. MacNeil noted that, during the Chinese student uprising, the country's leaders "could watch what the world was seeing from Tiananmen Square second by second and calibrate their plans accordingly."

As another demonstration of CNN's growing influence, MacNeil noted that President George Bush now has to exert extra caution when he comments publicly on sensitive international issues because his remarks can be heard and evaluated instantly in world capitals. Added MacNeil: "CNN doesn't necessarily provide exchanges or private diplomacy, but it is a powerful tool. It gives the President a global pulpit."

CNN executives acknowledge that it is difficult to know world leaders watching their programs. But they claim that the network merely observes a changing world, rather than contributing to the change and upheaval. CNN executives do say that they have fundamentally changed the character of television journalism at the United States. Declared CNN's Saker: "People tune us out for the secondary. It's like having a new network in your home."

Still, some executives at rival networks say that CNN's impact has been overestimated. Paul Friedman, executive producer of ABC's *World News Tonight* with Peter Jennings, said that CNN is little more than an ill-defined war service, which ABC provides more depth and informed analysis. But he admitted that CNN's shortcomings, if any, have been a major source of television information around the world and, by doing that, it has changed the way that many political leaders—and, indeed, millions of other viewers—think and act.

Anchor Bobbie Battista (left), Bernard Shaw: 'global pulpit'



Life at the top

Ted Turner's rise is marked by controversy

He is a mix of sharply contrasting qualities. A suddenly rich entrepreneur with a personal fortune that is estimated at \$1.6 billion, he has twice married and divorced. Recently, he has been dating Jane Fonda, one of the world's most glamorous actresses. But when Robert Edwards, chief of Turner Broadcasting System Inc. (TBS) in Atlanta, broods does not go directly to his spacious penthouse office, but stops by the employee cafeteria instead for a breakfast of cereal and grapefruit. Rather than using a chauffeur-driven limousine, Turner drives his own modestly priced Ford Taurus. And the man whom some critics have characterized as a southern redneck with an eccentric business sense has become a relentless advocate of world peace. Indeed, Turner has described his fast-growing communications empire as "a positive force to the world, to be the world together."

At 51, the son of a southern banker at the peak of his success, on a career marked by controversy and calculated risks. From modest beginnings in the early 1980s, he has constructed a communications empire centered on TBS, which currently employs about 4,000 people in 48 countries and is worth about \$7 billion. Through TBS, Turner is the sole shareholder of Cable News Network (CNN), another cable news channel called HomeLife News, Turner Network Television (TNT), the 100-watt entertainment channel and the Las Vegas-based Turner Entertainment Co., with a library of 6,500 classic films.

As well, he owns the National League's Atlanta Braves baseball team and has controlling interest in the Atlanta Hawks of the National Basketball Association.

His public career has been marked by numerous controversies. Many admirers criticized him harshly after he ordered technicians to begin constructing a new cable channel, which he called "Cable News and Crime Now, in color" (a phrase known as coloring).

At other times, he has caused controversy with inflammatory remarks. Last week, a Baptist pastor in Woodstock, Ga., said that Turner generated the plague by spreading "the Christianity" as "a million day lazers" in April when the American Religious Association named him Minister of the Year. Sen. Jerry Vandell, a reporter for *The Atlanta Journal-Constitution* who has specialized in writing about

Turner. "Every time he opens his mouth, you've got to be there because you don't know what's going to come out. Sometimes I don't think he knows."

Turner was born in Cincinnati in 1938 and his parents moved to Savannah, Ga., where he was raised. In Savannah, his father, Robert Edwards, operated a modestly successful ad-door-advertising company. Turner later recalled that his strict father got him to dig holes for billboard posts when he was young and



Turner and Fonda at this year's Academy Awards: a relentless advocate of world peace

sometimes beat him with a wire coat hanger. After six years at a military school in Chattanooga, Tenn., he entered Brown University in Providence, R.I., to study classics. But he was expelled as his senior year after being caught with a girl in his dormitory room. In 1963, Robert Turner, whose marriage had ended in divorce, committed suicide, leaving his 24-year-old son the 100-acre debt-ridden Turner Advertising Co.

Turner overhauled the company and by 1970 he was rich enough to buy an independent Atlanta television station, WTCB, later called WTBS. In 1976, he launched an industry trend by integrating programs from WTBS, which he renamed Super Station, to cable systems across the United States via satellite. The station now has 54.5 million U.S. subscribers.

At times, some of his business ventures have almost failed. His \$2.5-billion 1988 acquisition of MGM/UA ended in loss with a \$1.8-billion debt and forced Turner to share control of his business empire. In 1987, a consortium of 34 cable TV companies accepted \$663 million into TBS, and its return resembled an opening scene of *Yin's* 1987 disaster.

An offshoot of Turner's efforts to promote international friendship will unfold in Seattle between July 26 and Aug. 5, when more than 50 nations participate in the second Goodwill Games. Partially sponsored by TBS, the games are being organized in partnership with the Soviet government, which staged the first Goodwill Games in Moscow in 1986. Turner's efforts to promote international harmony prompted Soviet *Liv* magazine to publish a cover story on the "American star sportsman."

A world-class sailor who won the America's Cup in 1997, Turner now spends much of his

free time with the five children from his two marriages. Turner's marriage of 24 years to Jane Smith ended in 1976. An artist, brief marriage to Judy Nylen ended in divorce in the early 1980s. After a succession of short-lived relationships with young women, Turner, since early this year, has been spending his time with Paula, 52. He has Whitehouse, the Atlanta-based author of CNN. *The Inside Story* published this month, said of Turner that, despite all of his many accomplishments, "I sense a growing sense of being in a hole. You I really don't know all these things." An son of America's most widely watched and published man, the flamboyant Turner does not have to look far for confirmation.

TIM POWERS with correspondence reports

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British Holsteins (above): Gossamer: could people go mad from the meat?

HEALTH

HOLY COW!

'Mad cow' disease spooks the British

Since it came into being on July 3, 1987, the European Community has gradually evolved as a model of the way in which the union of a common destiny can inspire extra to ease those their differences. Frequently, the leaders of the 12 member states have had to sit aside historical rivalries and competing national interests. Last week, the inevitable implications of diplomatic stability within the Community paid off when its leaders negotiated an end to a beef trade embargo "mad cow" disease may that had British and French politicians at each other's throats, and threatened at one point to engulf the rest of Western Europe.

The problem was recognized in 1986, when some British cows contracted bovine spongiform encephalopathy (BSE), a brain-destroying disease known to have caused its slaughter 200 years. The disease was transmitted in feed containing sheep entrails, and, as it spread, journalists nicknamed it mad cow disease. Earlier this year, Arthur Knapp, 64, a retired insurance agent who lived near the eastern English city of Colchester, died five weeks after blood tests revealed that he suffered from Creutzfeldt-Jakob disease. Scientists said that the condition might have been caused by a micro-organism similar to the agent that causes mad cow disease. However, his widow, Iris, told reporters that Knapp rarely ate meat.

In an effort to protect its worldwide exports of nearly 140,000 tons a year, worth \$800 million, the British government counteracted with repeated assurances that British beef was safe to eat. But the campaign was undercut by demands for development. Some British consumption took beef off school menus, and beef consumption dropped by about 30 per cent throughout Britain. Last month, a beef-free Britain cut off in northern England of an illness resembling mad cow disease. Earlier this year, Arthur Knapp, 64, a retired insurance agent who lived near the eastern English city of Colchester, died five weeks after blood tests revealed that he suffered from Creutzfeldt-Jakob disease. Scientists said that the condition might have been caused by a micro-organism similar to the agent that causes mad cow disease. However, his widow, Iris, told reporters that Knapp rarely ate meat.

Then, on May 31, Britain was engulfed when France, the largest overseas buyer of their beef, announced a ban on all imports. French Agriculture Minister Henri Nallet said that the temporary ban would "stop a panic from taking place" and ensure that the French "can eat beef without worry." The next day, West Germany announced a similar ban "to protect consumers from infection." Luxembourg and Austria took similar action.

But the French action caused the cheapest reaction. Some Britons claimed that the Paris embargo was not related to mad cow disease, but was aimed at protecting French cattle growers from competition. But French farmers claimed that the British could not sell beef at home because of the scare and were dumping it in France at cut-rate prices.

The French action galvanized London's newspapers to attack. The *Sunday Times* called the ban a "stupid headline." "Stop off your selfish frogs." The story contended that "given the chaos, the French do not invite a friend or neighbor in the back. Not if they can use a godfather." Another London daily newspaper, *The Independent*, said that the French embargo was irrational because the country is famed "for its typhus-infested water, rabid domestic animals and homicidal monks." A cartoon accompanying the article showed two Frenchmen contemplating a horse. One says to the other, "Why export horses? English beef when we have good French beef?"

Meanwhile, 67 lawmakers sought to restore order. The European Commission, the EC's executive branch, condemned France for acting "without consultation" and threatened that a withdrawal of agricultural commissioner Raymond MacSharry, an Irish politician, said that prohibiting the export of British cattle more than six months old was sufficient to protect consumers because the cattle were no longer being fed sheep's parts. MacSharry threatened legal action against any country that exceeded that restriction.

Last week, intense negotiations had produced a settlement. In return for buying its customers left their bans, Britain agreed to export only cattle younger than six months. For his part, Nallet said he was sorry that his country had to be obliged to act unilaterally, while MacSharry remarked that the settlement of the dispute was "a very good accord." For the EC diplomats, there was reason to be pleased. They had settled one more beef

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THEATRE

Drama of dissent

Athol Fugard fights apartheid on the stage

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the dilemma seems even more urgent now than when the play was written. In Toronto recently to direct the Canadian premiere of *My Children! My Africa!*—one of the highlights of the festival du Marner 140, World Stage theatre festival, which ends on June 16—Fugard said that the prospects for peaceful change appear brighter than at any time in his 30-year battle of words against apartheid. Declared the playwright: "I have witnessed the most extraordinary drama in the history of my country. The rate of change is not as great as the liberation of Saxonia Europe, but I am convinced it will go the same way. It is irreversible."

A kindly, unsmiling man with flowing eyes, a smiling beard and a deeply furrowed face, Fugard, 58, is perhaps South Africa's most renowned literary figure, and an most eloquent anti-apartheid crusader abroad. In rehearsal with his actors and to provide consolation, he reduces a youthful lack of pretence and a passionate concern about politics. The drama of apartheid has inspired him to create many strong protest plays, notably *The Blood Knot*, *Soweto Blues* and *Land* (co-authored with John Kani) and *A Lesson from Aloes*.

But, in *My Children! My Africa!*, he has written what he considers to be his "most outspoken and concerned play," inspired by a 1984 newspaper story about a black teacher suspected of being a police informer and murdered by an angry mob in Port Elizabeth. Fugard has produced a work that reflects his belief in the transforming power of education. "There were moments when the situation made me feel so angry, I thought I would make more of a contribution making bombs than writing plays," he recalled.

Indeed, with literary critics arguing that a novelist whose playwright could play no part in the black struggle for freedom, Fugard retreated for a time from the political arena. He wrote and directed two highly acclaimed plays, the autobiographical *Master Harold and the Boys* (1981) and the poetic *The Road to Mecca* (1984), composed a long-standing addiction to alcohol and dabbling in an extraordinary film career with small parts in *Gandhi* and *The Killing Fields*. He earned most of his income acting and directing abroad, and spent part of the year in New York City, close to where his only daughter, Lisa, a 20-year-old actress, lives. "I lost a very selfish life," he said.

Yet he never bowed to pressure to leave South Africa. With his wife of 33 years, Sheila, whose Bedford Park he considers a strengthening influence, he maintains homes in south-eastern Port Elizabeth and in the nearby Kani, a silent film region where he grew up, and to which he returns for inspiration. Fugard describes himself as "a regional writer," adding: "When I stand on the street corner in Port Elizabeth and watch the crowd flow by—the old ladies carrying their heavy shopping bags, the rubbers in her Mercedes-Benz—I know where they are coming from and where they are going to. If I were to cut myself off from the world, I know intensely I would die as a writer."

Fugard traces the roots of his liberalism to

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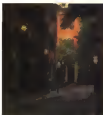
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A passion for plays

David William takes control at Stratford

In a rehearsal hall deep in the bowguts of rooms at the back of the Festival Theatre in Stratford, Ont., David William was quietly leading several young actors through a scene from *Macbeth*. Six five-scene scenes are all participants in the Stratford Festival's 38th season, which opened on April 30. They will hardly speak onstage, appearing only as servants or anonymous faces in crowd scenes. It seemed astonishing that the phenomenon-buzz artistic director of Canada's largest theatrical enterprise would spend so much time on them. But ever since he took over last year from John Neville, William has taken an all-consuming interest in even the minute details of the festival's workings.

According to his credo, the only way to have a great theatre is to constantly rebuild it—from the ground up. Young actors must be trained. Standards must be rigidly maintained. As a result, the festival is to be even when, as usual, standing, admiring and directing one of Stratford's six ongoing productions—Shakespeare's *Twelfth Night* on which he collaborated with Robert Beatty, and William Conger's *Love for Love*. He is also playing the melancholy Jacques in Shakespeare's *An Awful Year*.

The dapper artistic director, 63, shrugs off any suggestion that he has taken on too much at his festival, with its three troupes, 15 productions and \$10-million budget. "The important thing is to get a good night's sleep," the Stratford man William says. "Macbeth's been it is obvious that his energy also flows from some personal belief about the importance of good theatre—something for which Stratford, located 130 km west of Toronto, has won an international reputation. William agrees against the



Lacy Phenick, Naomi Samuels in *An Awful Year*. It's a musical production.

says that the arts are simply decorative, end-of-the-day amusement for busy business people. "We are very different in our dreams and aspirations from what we are in our daily lives of getting and spending," he said. "The gap between our two lives has become tragically large in the 20th century. But it is a gap the theatre can help bridge."

In William's opinion, the Stratford Festival must build these bridges primarily with language. But there are obstacles. "Today, words are used more moderately and more conservatively than the best days of years," he said. And even the hardest, he claims, can follow actors to the point of determination. "The quality of speaking here has been very terrific," he said.

"That's why I have quadrupled the number of voice coaches [for] this year."

Born in London, William decided to be an actor early on, despite the objections of his father, a wine importer, and his mother, a former actress. A sympathetic headmaster at his private school nourished his theatrical ambitions, and he eventually went on to act and direct at Oxford. His first professional production was *Ramona* in a 1952 Old Vic production at Stratford, starring Richard Burton. Since then, William has acted and directed at Britain's finest theatres. In 1968, he began his long association as a guest director with Canada's Stratford Festival, where he is best remembered for his haunting 1986 version of Shakespeare's *The Winter's Tale*.

The unnamed William has also taught extensively at universities throughout North America. He has a fervent interest in introducing young people to the theatre. At Stratford, he has introduced the season to New 11, mostly so that more student audiences see the plays. "The young know instinctively that theatre life has departed from the world of something very essential," William said. "They hunger for the mythical world, a reference to things of ultimate importance—and the theatre theatre can give them that." And he introduced young actors from the theatre in a private one night, when a young man stopped him and asked for his autograph. "It had come all the way from Manitoba to see the plays," William said. "There was a special light in his eyes, the plays had helped him. I expect when all is said and done, to see that light is really what I'm working for."

William seems ready to take more chances than his predecessor, John Neville, in waging Stratford's annual campaign to raise awareness, which reached 470,000 last season. William has largely pitched his ideas of plays and musicals to popular tastes. William—crowned by a complex last year of \$350,000—has ventured into slightly less familiar territory. Besides the usual *Macbeth* and *Twelfth* and large serving of Shakespeare's *Henry*, *An Awful Year* and *Love for Love* are new. William's first season was a musical, though-entitled *Stratford*, played by David Storey's troupe, and a 17th-century French comedy, Jean Racine's *Phaedra* (opening on July 6). He has also chosen American dramatic plays: O'Neill's *Irish* (opening on July 13), *White Noise* (opening on Aug. 10) and *White Noise*, in his four-year tenure, offered only one Canadian play, William is producing *Three* Michel

Timothy's *Forever Yours*, *Marie-Lou* and John Moffatt's *Almanac*, both opening this week, and *Shirley Fiddler's* *One Night in a Hat*, which will be produced in August.

Of the six plays that launched the new season, *Macbeth* will prove the dark horse. Director Mark Macdonald has set the sinisterly funny comedy on a nearly bare stage. In front of a hushed row of seats, there are two gaudy chairs and a small table. Two middle-aged, middle-class Englishmen, Henry James and Richard (Richard) Proulx, are exchanging pleasantries. On the surface, their talk is just polite chatter about the weather and their jobs. But Storey has woven their speech into an amusing, subtly poetic tapestry of contemporary life, with all its underlying tensions.

The current playbill also features Richard Macdonald's musical production of Shakespeare's *Twelfth Night* at New York City. It was transported to 18th-century Quebec. On a stage crowded with actors in period costumes, the followers of the deceased Duke (Victor Young) look into tomorrow. French-Canadian beliefs and dress in denizens. That approach is deeply moving, establishing Shakespeare as Canadian and giving the festival an unprecedented intimacy with the play.

The *Merry Wives of Windsor* is a much funnier comedy, written by Shakespeare to capitalize on the popularity of two earlier plays, of his leading director, Sir John Pielow. This play is usually done in the full spirit of Elizabethan burlesque. But the Stratford version, with its Edwardian costumes, is light, witty and filled with nostalgia for the pre-World War II era. Colin Firth makes a wonderfully pathetic Falstaff. But the William introduced who surprised that William introduced a new twist in an affair with his wife.

Of the remaining plays, the biggest crowd pleaser will undoubtedly be Stratford's biggest renovation of the 1980 Broadway hit *Guns and Dolls*, with music and lyrics by Robert Altman. The play is usually done in the full spirit of Elizabethan burlesque. But the Stratford version, with its Edwardian costumes, is light, witty and filled with nostalgia for the pre-World War II era. Colin Firth makes a wonderfully pathetic Falstaff. But the William introduced who surprised that William introduced a new twist in an affair with his wife.

Macbeth is the strongest of William's two productions. It has a workable solidity and a few inspired moments, such as the stylized battle at the beginning. And the *Twelfth* (Macbeth) and *Twelfth* (Macbeth) seem dwarfed by their greater rivals. William and Storey's version of Shakespeare's darkest tragedy contains elements that, as *Love for Love*, William's direction seems off the mark. The comedy itself looks like a parody and a parody of itself. It's a shame. Macbeth is a masterpiece—probably more for other people than for me.

As a director, though—as Oliver before him—tends to take a conservative approach to Shakespeare. On the whole his shaping of *An Awful Year* and *Love for Love* is true and fresh, emphasizing the human quality of its great lives. There is a passion of conveying language and knowing—and a lot of busy acting fuelled by thwarted sensibility. That gives



Scene from *An Awful Year* with Brangh (centre) as Macbeth.

Fresh Shakespeare

Kenneth Brangh takes the Bard on tour

Kenneth Brangh has the mild, round face of a schoolboy, and the clipped politeness of someone in a hurry. Sitting in a room who has assembled more than 20 thus most people manage to be a lifetime. Besides directing and starring in a lot of Shakespeare's plays, he has written an autobiography, *Shakespeare*, played several lead roles in London's West End and co-founded his own theatre troupe, the three-year-old Renaissance Theatre Company. For six months, Brangh and his actors have been touring three productions of Shakespeare's *A Midsummer Night's Dream* and *King Lear* to cities including Tokyo, Budapest, Los Angeles and Chicago.

Last week, they began their last engagement, two weeks (until June 19) at Toronto's Elgin Theatre. Brangh is the equally committed to another multi-million-dollar tour of the British stage, Sir Laurence Olivier, who died in 1988. It is a shame that Brangh, the British-born son of a carpenter, says he does not need "Of course, there are some things that bring out some other Oliver," he said. "For example, it's a nuisance—probably more for other people than for me."

As a director, though—as Oliver before him—tends to take a conservative approach to Shakespeare. On the whole his shaping of *An Awful Year* and *Love for Love* is true and fresh, emphasizing the human quality of its great lives. There is a passion of conveying language and knowing—and a lot of busy acting fuelled by thwarted sensibility. That gives

Brangh's production a welcome candour, although occasionally the director goes too far in the final scene, the cast breaks into a Broadway-style song-and-dance routine. It is a deplorable attempt to carry the nation's finest.

Oliver's *Twelfth Night*, the first of his career, was a triumph for the young lovers, charms with her earthy, imperious stringencies. She seems half angel, twisting her head like a dog at points to understand what her master, Oliver (Oliver), is telling her. And Brangh is wonderfully angry in the more comic role of Peter Quince, the director of the little play put on by the Athenian women. Wearing white gloves, he motions to his actors, on and off stage, with all the urbane fluency of a fourth-century master of ceremonies. Brangh and his cast have for him back with *King Lear*, the tragic tale of the British old ruler who gives his kingdom to his daughters in their youthful hands, the high position of the play leads to desperate acts of unbecoming shooting. Richard Brangh has a few strong scenes as Lear, before the role wears him down. But the brightest point of the production is Simon Thomas, Brangh's wife, who plays the king's fool with a humped back, a leg and a plausibly comic delivery. Brangh has been a disappointment, overlooking through the part of the young lover, who begins and ends in comic relief. Oliver need not make more an Olympic jet.

JOHN REMONDO

JOHN REMONDO is a novelist.

Bombs and betrayal

Brian Moore sets a suspenseful tale in Ulster

LIES OF SILENCE

By Brian Moore
(Lester & Cohen Design, 194 pages, \$22.95)

The simplicity of Brian Moore's prose contrasts sharply with the depth and scope of his imagination. In his 36 novels, the 46-year-old Belfast-born writer has combined gripping drama with rich psychological portraits of a startlingly diverse

of ordinary people caught in extraordinary circumstances. They are characters of Ulster who, he writes, exist "in a 'without' any interference from men in worldly matters."

The harrowing tale of a young Irishman forced to make a life-or-death decision, *Lies of Silence* illustrates Moore's often-quoted statement that "my unconscious method is to find the moment of crisis." It also recognizes that many familiar Moore themes—crime, failure, the unconscious of murder and family relationships, particularly between father and son, and the loss of religious faith—find, as *Lies of Silence* shows, their roots in the moment of crisis. It also recognizes that many familiar Moore themes—crime, failure, the unconscious of murder and family relationships, particularly between father and son, and the loss of religious faith—find, as *Lies of Silence* shows, their roots in the moment of crisis.



Moore: ordinary people in a 'moment of crisis'

group of characters. There is the repressed Irishman in *The Lonely Passion of Judith Hearne* (1956), the imprisoned Jew in 17th-century New France in *Shark Skin* (1988) and the Catholic cardinal caught between the church and his Communist rulers in *The Colour of Blood* (1987). Along the way, he has earned critical acclaim, numerous literary awards and the honor of having Graham Greene describe him as his "favorite living novelist." In *Lies of Silence*, Moore returns to his native Northern Ireland and the northeast's struggles between Catholic and Protestant forces. But while the novel can be called a political thriller, it focuses

on the lives of ordinary people caught in extraordinary circumstances. They are characters of Ulster who, he writes, exist "in a 'without' any interference from men in worldly matters."

The plot takes a number of unexpected twists, but throughout there is a sense of impending tragedy. Early in the novel, Michael manages to alert the police to the bomb. It explodes, damaging walls and cars, but the hotel has been safely evacuated. Meanwhile, his wife is left without the IRA, who depart when it appears that Michael has fulfilled their mission. But Michael's actions set in motion another set of consequences.

Angry, nervous and a deep sense of isolation permeate the book, but Moore never lets this interfere with the flow of the narrative. He describes the six operations as modern young drugs without mystery or education. "This was a child with a gun, excited as a child is when suddenly the game becomes dangerous." The Protestant extremists are portrayed in an equally unfavorable light, particularly the demagogue, a well-known minor kept in power by his political and financial supporters both in Ulster and abroad. Michael, a loyal Catholic caught in the machinery, both accused by the

"less from Protestants and pupils, less at rallies and funeral corteges, and, above all, the loss of silence from those in Westminster who did not want to face the questions of Ulster's status quo."

While Michael considers the consequences of defying the IRA, his beautiful, dependent wife is pulled out of her self-absorption by the trauma. Unlike her middle-class husband, Moore was born in a poor Catholic slum. But, as she tells her two children, he was an outcast of modern society, a heroic stand against terrorism. At others, they seem to spring from a careless disregard for herself and Michael, now that he has told her he is planning to leave her.

Michael, who momentarily disappears from the face of the IRA story, is the most natural target. As events close in, he grapples with dilemmas about personal happiness and public responsibility, and his own role in the life of his troubled country. And as *Lies of Silence* builds to its climax, Moore proves once again that he is a consummate storyteller.

DIANE TURKLE

Maclean's

BEST-SELLER LIST

FICITION

- 1 *The Border of Peace*, Turin (3)
- 2 *Friend of My Youth*, Martin (3)
- 3 *Strong Legs and All*, Bellon (3)
- 4 *September*, Fisher (4)
- 5 *Timeline*, Morrison (3)
- 6 *The Street*, King (5)
- 7 *The Evening News*, Ainslie (3)
- 8 *An Inconvenient Woman*, Zeman (3)
- 9 *Line of Silence*, Moore (5)
- 10 *Golden Boy*, Smith

NONFICTION

- 1 *Magnum 2000*, Maclean's (2)
- 2 *North of America* (2)
- 3 *Washington Reflections*, Foster (4)
- 4 *Porting with Business*, Gruber (4)
- 5 *The Sea of Our Griefs*, Gervais
- 6 *Reflections at the Gate*, Burnham and Meyer (2)
- 7 *Towards a Just Society*, edited by Burnham and Thibault (2)
- 8 *Wonderful Life*, Gault
- 9 *The Bookends with Canada*, Granger
- 10 *A Case of Many Canals*, Ainslie (14)

11 *Portrait of a Work*
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Someone has to take the lead

BY ALLAN FOTHERINGHAM

Where are we today here. The Air Canada jet is crossing, long after hour, some of the most compelling scenery in the world. The Canadian Shield, the jagged summer squares of green on the Prairies, the Rockies, the Pacific fjords. And Air Canada, our national airline, attempts to kindly passengers to window seats to lower their blinds to blot out our country—so that those who are unable to read can view an American movie devoted to the night of blood.

Someone who likes the scenery gets as much for his seat as those same folk who prefer watch a darkened screen full of the Indiana Jones stuff of needless violence that is right out of children's crank. But Air Canada is blind, just as blind as its passengers who are not capable of reading.

The airline is with the blind passengers, the top politicians who have been following the world—and the dollar on international exchanges—with their study obligations on the ground. Inward, the March Lake scene, which by now has such a bad state that even Honda is thinking of changing the name of its car.

Televisa is largely to blame—not just the constitutional lawyers who make their living trying to pick for slot out of two while wearing hearing glasses. However in our short history, since this country was stillborn 125 years ago, have such career players been given such national attention. Showing their awful stuff on the stage, they have remained in the slaving attention of the TV cameras outside the old Ottawa railway station, each evening while their mothers anxiously waited.

When is the last time (for the first time) when anyone in Canada knew what Gary Wilson looked like? Do you know before now how short Joe Guis was? And how squatty Frank McKenney's voice is?

Was it part of your knowledge, while lying in bed again for the boring Stanley Cup final on Peter Mansbridge and Don Newman got ever more excited, that Don Gery is part of that unfortunate section of mankind that deserves the post-mortem style of burial? Was it really worth



March Lake to have this revealed not just to his family, and his handmaidens, but a wandering rat?

The analogy is that these guys, like Air Canada, have lost their perspective. They are tariff guardians, not really for people. It does not help in fact guides the picture that the Prime Minister is out a leader but a labor negotiator—just seeking for a middle way, a middle way that will never come without leadership and toughness at the top.

He is a man whose only reason for wanting to become prime minister—like Joe Clark before him—is that he wanted to be prime minister. Pierre Trudeau became prime minister rather by accident, the job seeking him out instead of vice versa. Mackenzie King, as we all know, got the job after several years of plotting for it but had a plan—designating the succubus as simply "Liberalism is a luxury"—while steering their policies to stay in power.

Letter Perceps, the current reading class, wasn't quite the measure we all assumed who stumbled into 24 Sussex Drive exactly by accident. John Diefenbaker got there out of revenge against the Family Compact (which still exists in Toronto, thank you very much). Robert Borden was pushed into pursuing the post not at all.

And so we're into the present gang. Robert Bourassa's main goal is that if Quebec moves into some form of separation, he is going to let Jacques Parizeau to that eventually. Bill Vander Zing, confederate the British Columbia reputation for peroxide that is viewed as look-alike (in truth, is simply an anglophone version of Quebec, words vacuumed to the road, his teeth lighter).

Gerry is an *Laughed and Drove in* in Ontario and we've even seen *Tuesday* Douglas—in this context, since we never, as usual, went to embrace anyone. We were never a great fan of the terrible-tempered Sterling Lyon—while we were of the early-maligned Ed Schreyer—but in stick these up against the strange, ill-fated *brooks* now raising *Shakespeare* in his work.

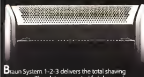
To mention Bushman up against the masonry of charismatic: Bob Stanfield would be too painful. So we get back to perspective, these cheap being as *Mackenzie* as the Air Canada supervisors. They can't see the large picture, just as Air Canada cannot see that some of their primary customers might like to see the country they paid to see. (Don't talk to me, talk to some of the European and American passengers raised on Rose Marie and Nelson Kelly.)

It is not that the country is going to fall apart. It's not, despite what the experts on the Washington Post editorial page assert. The dilemma is how we prevent our people from their hour straying upon the stage—knowing their assets they have a labor negotiator rather than a prime minister at the head of the table—and bowed before the given image of Peter Mansbridge, have played so shamelessly upon the national prejudice.

It is as if even George Bush stood up on his hind legs and asserted that Wyoming and New Mexico and Rhode Island were not going to bow around the White House. The labor negotiator, in his nervousness, does not have the brain to stride before these TV cameramen and actors. "Enough!" I was elected to run this country. Brothers it or the lot as duce, into a European Community style of friendly neighbors.

Someone has to take the lead. Otherwise, we are ruled by Air Canada attendants who must be lower the blinds.

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